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U.S. Reassessing Need for Tactical Nuclear Weapons

By Walter Pincus
Washington Post Service

WASHINGTON — The Pentagon, in a reassessment that would reverse 20 years of army policy, is questioning the need for thousands of short-range, battlefield nuclear weapons that it has deployed or plans to build, according to top Defense Department officials.

The review reflects a realization that the older weapons would be difficult to use in wartime and that deploying the newer ones would create severe political problems.

The review comes as the North Atlantic Treaty Organization is seeking to reduce the approximately 6,000 U.S. nuclear weapons in Europe by at least 572 warheads in conjunction with deployment, planned to start in December, of that number of longer-range Pershing-2 and ground-launched cruise missiles.

There is also growing public criticism within the United States and Western Europe of short-range nuclear systems.

The immediate issues for Pentagon officials are whether the army will go ahead with more than 1,000 new, 155-mm neutron artillery shells or develop a nuclear warhead for a proposed new battlefield missile, air- and ground-launched, with a range of 150 to 250 miles (241 to 402 kilometers).

Also involved in the Pentagon review is how many of about 2,000 older U.S. nuclear artillery shells and more than 1,000 nuclear antiaircraft and atomic demolition munitions with troops in Western Europe will be returned to the United States and dismantled.

An army spokesman said the service would not discuss battlefield weapons.

Last year, Congress turned down initial production money for the 155-mm shells, but $63 million has been included in the fiscal 1984 Pentagon budget now on Capitol Hill.

According to government sources, some Pentagon officials are prepared to drop the request for the shell because of its multibillion-dollar cost, of doubts that it can be deployed in Europe in the face of political opposition and its unavailability until at least 1986.

The change in attitude toward short-range nuclear weapons is illustrated in previously classified testimony by General Bernard W. Rogers, NATO commander and former army chief of staff, before the Senate Armed Services Committee last year.

General Rogers said that NATO, far behind the Soviet Union in long-range nuclear missiles, already has "about a 3-to-1 advantage for theater nuclear weapons with a range less than 150 kilometers [93 miles]." That advantage is composed primarily of several thousand nuclear artillery shells, a type the Russians have not built in any numbers.

During the hearing, another army general described these older 8-inch and 155-mm shells, many of which are 20 years old, as having "inadequate ranges and inaccurate fuses." The 8-inch shell, he said, "requires time-consuming field assembly" and requires firing of a spotter shell before the nuclear round can be fired.

As to the newer, eight-inch neutron shell being built, General Rogers said: "I can get the same effects from the weapons we have now as I can get with the neutron weapon warhead. The only trouble is that it can't be used in as close proximity to our own troops because of the blast and thermal damage of those that we have."

Asked to choose between new neutron shells or new chemical weapons, General Rogers responded: "It is more important to me to have the modern adequate chemical capability to retaliate than the neutron weapon."

The administration has asked Congress to approve production funds for a new generation of chemical shells and bombs.

That is a sharply different approach to neutron battlefield weapons, which fewer than six years ago were seen as the major weapon system to defend NATO troops against Soviet tanks. The army is now stressing a new approach against a Soviet invasion, with emphasis on hitting second-echelon enemy forces well behind the forward lines with conventional rather than nuclear weapons.

The NATO review is being conducted by a subcommittee chaired by Richard N. Perle, an assistant defense secretary. It has reportedly produced interim recommendations for nuclear warhead reductions to accompany deployment of the Pershing-2 and cruise missiles.

Those findings will be presented to the coming meeting in Lisbon of NATO's nuclear planning group.

The Associated Press

MIAMI VIOLENCE — A looter hauled away cartons of alcoholic beverages taken from a gas station and carry-out store during a disturbance Sunday night in Miami's Liberty City section, the scene of past race riots. Street fighting broke out when police tried to close down a disco party held in a park. Two persons were hurt.

OPEC Cuts Price $5, Limits Output in Bid To Stop Price Slump

By Bob Hagerty
International Herald Tribune

LONDON — The Organization of Petroleum Exporting Countries announced a $5 cut in the price of its benchmark crude oil Monday as part of an agreement that the group hopes will halt the decline in oil prices.

OPEC officials said that the overall agreement had the support of all 13 members but that Iran, which vowed last week never to accept a price cut, was reserving its approval on the pricing provisions.

Oil analysts disagree on whether the agreement to cut prices and fix production quotas will prove effective.

In the short term, some analysts say, it should give oil prices at least a small, psychological lift. Late Monday, crude prices firmed on the U.S. spot, or noncontract, market. West Texas intermediate crude rose about 60 cents, to about $29.30, a spokesman for Platt's Oilgram said.

The longer-term effects depend on the health of the world economy and thus oil demand, on whether OPEC members adhere to the agreement, and on what pricing policies are pursued by major oil producers outside OPEC, notably Britain.

In any case, OPEC has shown that it can produce an agreement — however wobbly it may prove — when its revenue is dwindling and two of its members, Iran and Iraq, are at war. The agreement, whose general outline has been clear for a week, appears to improve OPEC's chances to survive until the oil market swings back into the producers' favor.

A U.S. oil trader watching the week-old OPEC meeting dismissed as "unrealistic" the agreement to lower the price for OPEC's benchmark crude, Saudi light, to $29 a barrel. He predicted that market forces would push the price down *to about $25 within a few months.*

As oil prices fall, the Soviet Union is scrambling like any other exporter to protect itself. Page 9.

But David Johnson, an oil analyst at the British stockbrokerage Wood MacKenzie, said the agreement had a strong chance of bringing oil supply and demand into balance.

Under the agreement, prices for OPEC crudes are to be aligned around the $29 price, with premiums or discounts depending on quality and transport costs.

The premium for light, high-quality crudes from Algeria and Libya, for instance, is to remain at $1.50. In a "temporary exception," however, the agreement allows similar Nigerian crude to carry a premium of $1. That provision is designed to give Nigeria, which is heavily indebted, an edge in selling its crudes, which compete with similar oil produced in the North Sea.

In an attempt to bolster prices, the agreement limits overall OPEC production to 17.5 million barrels a day. OPEC's current output is estimated at 14 million barrels a day, but the worldwide drop in production over the past two months has been partly artificial because buyers have held back in anticipation of lower prices.

More important than the level of the production ceiling is whether *the market expects OPEC members* to respect it. A similar production limit approved by OPEC last March fell apart after a few months.

Acknowledging that failure, Sheikh Ahmed Zaki Yamani, the Saudi minister, said: "We have strong hopes and strong indications that everybody this time means business."

Saudi Arabia, whose output is OPEC's largest, will be the "swing" producer — in other words, the Saudi Arabians will bear the brunt of any decline in demand for OPEC oil or increase their output if overall demand exceeds 17.5 million barrels a day. The Saudi output is less than 3.5 million barrels a day, *down from a peak of about 10* million.

OPEC members will be anxiously awaiting the reaction of Britain, whose key North Sea crudes are tentatively priced at $30.50, or 50 cents above the Nigerian level. Some traders maintain that the North Sea Brent and Forties crudes should cost 50 cents to $1 less than Nigeria's Bonny light.

(Continued on Page 2, Col. 5)

In France, a Warning for the Left

After Elections, Socialists May Move Toward Center

By John Vinocur
New York Times Service

PARIS — After almost two years in power, French socialism is looking for its second wind, and the place where it seems to think it can regroup is at the center rather than further to the left.

Although not an irreparable defeat, the loss of 30 cities in the nationwide municipal elections has been publicly described by Socialist leaders as a warning, one that Lionel Jospin, the party's general secretary, interpreted as requiring government policy to become "simpler, more concrete and more coherent."

In the party's terms of reference, this vocabulary is the opposite of the one employed to accompany the Socialist Party's first year, when its economic choice was expansion through government spending and its domestic notions those of a vast new range of social benefits.

Its diction then was made up of words like generosity, solidarity and change; now Mr. Jospin talks about the necessity of moving fast to stop the country's growing debt, its trade deficit and its reheated inflation.

To do those things involves considerable public education because the government of President François Mitterrand avoided stressing the seriousness of the country's economic situation in the period leading up to the two rounds of local voting ending on Sunday.

NEWS ANALYSIS

The growth of the foreign trade deficit mirrors declining French industrial competiveness, weakens the franc and increases the debt as money is spent on imports.

Mr. Mitterrand is expected not only to make this clear in the coming days but to assert that France's ability to remain an important industrial country in the next decade involves instituting strong measures to reduce inflation and eliminate the deficit.

Aides at Elysée Palace have gone as far as telling reporters that failure to do so might turn France by the end of the year into an "IMF case," a welfare recipient requiring assistance from the International Monetary Fund to keep afloat.

The phrase has the sound of overstatement, but it is apparently being used in order to justify measures that cannot please much of the left wing of the Socialist Party *or the Communists, the second* government party.

The government moved economically toward the center last summer, instituting wage and price controls, but the steps now described as under consideration by sources close to the president would go in a sharply deflationary direction, cutting into the spending power of consumers and restraining some of the costly privileges of the civil service.

In order to cut the foreign trade

(Continued on Page 2, Col. 2)

Strauss Demands Post in Cabinet

Bavarian Cites His Party's Role

By Geoffrey Atkins
Reuters

BONN — Franz Josef Strauss, the conservative premier of Bavaria, declared Monday that he had the right to a cabinet post in the coalition government of Chancellor Helmut Kohl.

His statement came only a few hours before his Christian Social Union, the Bavarian wing of Mr. Kohl's Christian Democratic Party, was to open negotiations with the Christian Democrats on the formation of a cabinet following the *March 6 general elections.*

Party sources said that Mr. Strauss, 67, had no chance of achieving his primary goal of becoming foreign minister and deputy chancellor, taking the place of Hans-Dietrich Genscher.

Mr. Genscher is leader of the Free Democratic Party, the junior coalition partner of the Christian Democrats. The Free Democrats are to join the coalition talks Wednesday.

Other key ministries had, for a variety of reasons, appeared to be out of the reach of Mr. Strauss.

The Bavarian leader refused to specify what post he was referring to in his statement.

"It is the obvious and overwhelming conviction of the CSU that the chairman of the second largest coalition partner has a claim for participation and co-responsibility in the cabinet," Mr. Strauss said in the statement.

The CSU, whose chairman is Mr. Strauss, contributed 53 seats, an increase of one, to the 244-seat Christian Social Union-Christian Democratic alliance in the Bundestag, or lower house of parliament. The Free Democrats lost 19 seats and will now have 34. The Social Democrats' representation in the 498-seat Bundestag was reduced from 218 to 193. The Green party got 27 in its first representation in the Bundestag.

A convincing Christian Democrat election victory Sunday in the state of Schleswig-Holstein appeared to have strengthened Mr. Kohl's hand in negotiations. Party sources expressed puzzlement over Mr. Strauss's late challenge in view of Sunday's development.

It was not immediately clear whether Mr. Strauss's bid for a post after a long silence was a genuine challenge to Mr. Kohl or was just a warning that the CSU must now have a greater role in the coalition than the liberal Free Democrats, who currently have four cabinet positions.

Mr. Kohl has made it clear that he prefers to continue with a right-center coalition, including Mr. Genscher as foreign minister.

AP

Werner Vogel

AP

Franz Josef Strauss

Ex-Nazi, a Green, Quits Bundestag

Compiled by Our Staff From Dispatches

BONN — A member of the West German Green party elected to parliament last week has resigned his seat because of controversy over his Nazi past, a Greens spokesman said Monday.

Werner Vogel, a 75-year-old retired civil servant, admitted to being a Nazi *storm trooper*, a member of the Nazi Party and an adviser during the Hitler era to the Interior Ministry, the spokesman said in a radio interview. Mr. Vogel asked to be replaced, the spokesman said.

The Greens, a loose alliance of leftist pacifists and environmentalists, gained entry to the Bundestag for the first time with 27 seats in the March 6 general election. By custom, the oldest member of the house acts as speaker to open the first session and Mr. Vogel, who is the oldest, was to make the inaugural address later this month.

"My past has caught up with me," Mr. Vogel said Monday in an emotional statement to reporters. His voice trembling at times, Mr. Vogel said, "I did not oppose the Third Reich but cooperated with it. This guilt did not begin to burden me with the first press reports; it always has burdened me."

He said he had told the Greens about his past two years ago but decided to quit parliament because of the recent publicity.

Mr. Vogel said that he had been responsible for helping to introduce German labor and welfare laws into territories occupied by the Nazis. He said he once toured the Dachau concentration camp with other Nazi authorities and knew that Jews were being imprisoned there along with political prisoners.

Mr. Vogel denied allegations that he helped fashion the Nazi laws stripping Jews of their legal rights.

Mr. Vogel will remain a party member and legal adviser to the Greens. He will be replaced in the parliament by another candidate on the Greens election list, Diete Drabiniok, 28, an industrial worker from the Ruhr town of Bottrop.

Egon Franke, a Social Democrat formerly in charge of inner-German relations, is now the oldest deputy in the new parliament and appears to be in line for the job of acting president.

However, Mr. Franke also has been touched by scandal. The federal auditor's office recently criticized the lack of receipts for more than 5 million Deutsche marks ($2.08 million) in the inner-German relations ministry while Mr. Franke was in charge.

Mr. Franke said that the money was used to buy freedom for imprisoned German nationals from East Germany and other East European countries.

The Social Democrats said Monday that a decision had not been made on whether Mr. Franke would accept the acting presidency post.

While acknowledging Mr. Vogel's Nazi past, the Greens charged Monday that conservative newspapers *in West Germany* are trying to "intimidate" the party with false and slanted reporting.

United Press International

ANNIVERSARY — The Karl Marx monument in central Moscow near the Kremlin on the 100th anniversary of his death, March 14. Inscription on the base reads: "Proletarians of all countries, unite."

More Northern Vietnamese Seek Work in Soviet Bloc, Envoys Say

By William Branigin
Washington Post Service

HANOI — Attracted by a chance to escape chronic poverty at home, growing numbers of young northern Vietnamese are seeking employment in the Soviet bloc under *an official labor export program,* according to Western diplomats here.

Their accounts of the program tend to contradict Reagan administration charges of possible human rights violations connected with it, including forced labor and harsh Siberian working conditions.

The diplomats confirm, however, that, despite Vietnamese denials, about a third of the Vietnamese workers' wages is deducted to help pay for imports from the Soviet Union and its East European allies and another third is withheld for promised repayment to the workers when they return to Vietnam.

Even so, the diplomats say, the earnings are far higher than in Vietnam, and the workers are allowed to bring back consumer goods that either are unavailable at home or cost much more because of duties or black-market markups. In fact, the sources say, some Viet*namese even pay bribes of up to* 10,000 dong (about $1,030 at the official rate and $95 on the black market) to secure jobs in Eastern Europe.

The program does have drawbacks for the workers, according to the diplomats, whose information comes from northern Vietnamese with relatives working abroad. But these are less serious than portrayed by U.S. officials, the sources say. Specifically, they disagree with assertions that some Vietnamese are being forced to work in Siberia on the natural gas pipeline to Western Europe. The pipeline has been strongly opposed by the Reagan administration.

"I'm convinced that no Vietnamese are working on the pipeline," one Western diplomat here said. Another said that the Vietnamese were not working in Siberia but in the central and southern Soviet republics.

The diplomats also assert that fewer Vietnamese are going to the Soviet bloc than the estimates of up to 500,000 reported by the State Department. Vietnamese officials refused to give details of the program, which they said falls under "labor cooperation" agreements between Vietnam and the Soviet Union and several East European countries.

According to a State Department report to Congress last month on forced labor in the Soviet Union, Hanoi has sent Vietnamese citizens to work on several projects in the Soviet bloc since 1981 under unpublished intergo*vernmental agreements that might* violate international labor standards.

The State Department said reports have been received of "harsh and, in some cases, involuntary conditions" for Vietnamese workers, whose number it estimated at 100,000 to 500,000 for the 1981-1985 period. The report quoted Communist news media as disclosing that about 45,000 Vietnamese workers are employed abroad, about 11,000 of them in the Soviet Union.

"There is little doubt that the Vietnamese work for fixed periods — labor contracts are said to extend up to seven years — in a capacity similar to indentured status, with a substantial portion of their wages withheld to be credited against Hanoi's mounting deficits in these countries," the report said.

According to diplomats in Hanoi, many Vietnamese are eager to work in the European Communist countries. Most are young, single northerners, and many do not want to return to Vietnam.

It is the East European nations that are less than satisfied with the arrangement, he said. "None is really happy with the Vietnamese as productive workers," he said, noting that Vietnamese "skill standards are very low."

Brazilian City's Industrial Caldron Chokes Rivers, Trees and People

By Kenneth Freed
Los Angeles Times Service

CUBATAO, Brazil — The descent into Cubatão is like entering Dante's Inferno or Milton's Paradise Lost. People who live here call it the "Valley of Death."

An hour south of São Paulo, Cubatão is one of Brazil's richest cities and South America's largest industrial park.

But it is a park where recreation has given way to death. The four rivers that course through the city of 85,000 people are dead. The trees and soil are lifeless and, in increasing numbers, infants are stillborn or dying.

What is endangering Cubatão is pollution. The last complete study, made five years ago, showed that on any given day the 22 giant petrochemical and steel plants here pumped into the air 875 tons of toxic gases, 473 tons of carbon monoxide and 182 tons of sulfuric oxide.

Celso Orsini, a University of São Paulo physicist, contended that "Cubatão has become the worst pollution problem in Brazil and one of the worst in the world."

Yet there are government and industry officials who say that the situation has improved and continues to do so.

Nei Eduardo Serra, a spokesman for the Center of Industries for the State of São Paulo, an association of industries, said that there has been a 55 percent reduction of pollution since 1981, due in large part to a switch to relatively low-sulfur fuel oil.

In the last three years, he said, the industries have spent $60 million to reduce pollution and are committed to a slightly lower level of spending in 1983 and 1984. He estimated that Cubatão will be rid of dangerous pollution within three years.

But independent scientists say that no complete data have been provided in recent years.

And Dojival Vieira dos Santos, a city councilman who also speaks for a group of residents who have banded in a community defense group, said: "The situation continues as grave as it always was." He said the amount of money spent on anti-pollution was less than 3 percent of the total income of the 22 plants.

Any improvement has been brought about as the result of a 30 percent decrease in production at the Cubatão plants because of poor economic conditions, he said.

Particularly worrisome are indications of birth defects that may have some link to the pollution, especially anencephalia, a condition in which children are born with only vestiges of the brain, and which usually leads to death. According to a recent study, 65 of every 1,000 children born in Cubatão die of anencephalia, a rate much higher than in the surrounding areas.

Industry spokesmen and doctors hired by the plants say that there is no proved link between industries and the high incidence of birth defects. They say that malnutrition and unsanitary conditions, which are common, can also cause birth defects.

Dr. Roque Monteleone Neto, a geneticist who is conducting the only systematic study of birth defects in Cubatão, said his preliminary findings "show that problems exist." Deaths from birth defects are more than double the normal rate, he said.

Some of these fatalities are caused by genetic factors, Dr. Monteleone said, but others are thought to be caused by the environment.

He said cancer, skin problems, respiratory ailments, impaired vision, heart conditions, advanced aging and general debilitation have all reached higher-than-normal levels.

Maria das Dores, 22, a resident of Cubatão, gave birth to triplets three years ago. One was normal, one died after six weeks and the third also apparently died, though Maria has never been told officially.

She said: "They would not let me see it, but my sister told me it didn't have any arms or a neck and only a mockery of a head and two tiny legs."

Mr. Serra pointed out that nearly all the factories *were built in the 1950s, "before the existence of zon*ing regulations and environmental protection laws."

Mr. Vieira and others cited a recent zoning decree that prohibits people from living in Vila Parisi, a particularly bad area in the center of Cubatão, because it is being transformed into an "industrial zone."

The 15,000 people who live there are being offered government-built housing on easy credit terms about a mile and a half (2½ kilometers) away. The people are not cooperating.

Mr. Serra said: "They don't believe they will be able to sell their property or that they will be able to afford the new houses. They think the industry should be made to clean up the pollution, that they should not have to move."

INSIDE

Escape or Death? A Russian Camping Trip Ends in Mystery

By Robert Gillette
Los Angeles Times Service

MOSCOW — When two young mathematics students from Moscow, Pavel Simanovich and Anton Avdayev, set out for the northern Kola Peninsula near Finland last July, they appeared to be bound for an ordinary, if adventurous, camping trip.

Eight months later, Mr. Avdayev is back in Moscow, in the KGB's Lefortovo prison, awaiting transfer to a labor camp. He was sentenced to a three-year term in late January for illegally crossing the Soviet border into Finland.

Mr. Simanovich has vanished. According to friends, he either perished in the wilderness or escaped to the West through Finland.

In recent weeks, the mystery surrounding Mr. Simanovich's disappearance and Mr. Avdayev's arrest and return has become an underground cause célèbre in Moscow.

Mr. Simanovich is from a Jewish family. Like thousands of other Soviet Jews, the Simanoviches had applied to emigrate and Soviet authorities had refused to let them go. Though technically they could re-apply every six months, the odds of winning permission to leave have grown slim in the past three years as the Kremlin has choked off emigration to a trickle.

Regarded as outcasts by a state that nevertheless refused to let them leave, the Simanoviches faced a bleak future — not least among them Pavel, whose prospects for a career in the Soviet Union were severely restricted by his having been refused emigration.

The moral rub, according to family friends, lies in the fact that if Pavel has succeeded in escaping to the West, he will have almost certainly eliminated whatever small chance his family had of emigrating. Under Soviet law, "flight abroad or refusal to return from abroad to the U.S.S.R." is classed as treason, along with spying and defecting to the enemy. The customary Soviet practice of the past half century — and the Kremlin's most effective deterrent to defection — is never to release the family members of those who escape.

The sister, niece and 78-year-old mother of the ballet dancer Rudolf Nureyev, for example, have tried without success to emigrate since Mr. Nureyev's defection during a tour of France in 1961.

If, on the other hand, Pavel Simanovich died on his camping trip, his family will still have a small chance of emigrating.

Friends of the two men, both 24, said the camping trip was Mr. Simanovich's idea. He urged several of his classmates at a Moscow teacher-training institute to join him. In the end, they said, only Mr. Avdayev went along.

What happened after that is known only indirectly through Mr. Avdayev, whose acquaintances describe him as a studious ethnic Russian with a strong patriotic bent verging on nationalism.

For several days, the two hiked and camped along streams and lakes of the Karelian wilderness. Mr. Simanovich proved to be a weak hiker and kept falling behind. Mr. Avdayev, friends said, finally urged him to go first and set the pace. Mr. Simanovich did so and disappeared.

According to the story circulated by family friends, both young men misread notoriously inaccurate Soviet maps — precise topographic maps, especially of border areas, are generally not available to the public — and blundered into the Finnish border zone, where travel is forbidden without special passes.

Mr. Avdayev is said to have hiked for the better part of a day in search of his friend. At nightfall he camped and built a fire, and in the morning he was detained by Finnish border guards.

"He explained everything to the Finnish authorities and he asked to be sent home," one family acquaintance said. "He was — straight to prison."

His friends, many of whom were interrogated by the KGB, maintain that Mr. Avdayev never expressed an interest in leaving the Soviet Union, and with his Russian nationalist tendencies would not have been expected to try.

The Soviet prosecutor, however, did not consider Mr. Avdayev's seemingly voluntary return as a mitigating factor in his guilt. At the end of a two-day trial in January, he received the maximum three-year sentence for illegally crossing the border.

Among the evidence reportedly produced against Mr. Avdayev at the trial was an invitation to a film-screening sponsored by the British Embassy in Moscow, taken by the court to be an indication of an interest in foreigners.

Mr. Avdayev's return to the Soviet Union touches on a delicate area of neutral Finland's relations with its giant neighbor. Under a bilateral agreement with Moscow, Finland repatriates hunters and other Soviet citizens who cross the border inadvertently — as well as some who cross in deliberate attempts to escape.

Finnish officials, while acknowledging the border agreement, note that Finland is also a party to the UN Convention on Refugees, which requires the government to consider requests for political asylum. A Finnish official in Moscow said that some requests are granted, although he said he did not know what proportion.

Israeli Goods Reach Arab Markets via Beirut

Saudis Bar Lebanese Imports in Bid to Enforce Boycott of Israel

By J. Michael Kennedy
Los Angeles Times Service

BEIRUT — A Saudi Arabian businessman, wandering through Beirut's commercial district the other day, stopped at a display window to look at a gaudy and costly lamp.

He wanted to buy the lamp and take it back to Jeddah, but then he thought better of the idea. "He was afraid his government wouldn't let him bring the lamp in because it would have been bought in Lebanon," said Kahtan Noshie, the shop owner. "This kind of thing could be very bad for the Lebanese."

Not long ago the Saudi government banned the importation from Lebanon of a long list of items, in the belief that they might have been made in Israel. Israeli products are banned by most Arab states.

However, since the Israeli invasion of Lebanon last year and Israel's occupation of the southern half of the country, Israeli products have been streaming across the border into Lebanon.

Israeli fruits and vegetables are being sold by Lebanese on the streets of Beirut. Many of the vendors do not bother to remove the wrappers that say "Product of Israel."

Other, subtler, entrepreneurs are having Israeli goods repackaged in occupied southern Lebanon to disguise the country of origin. The goods are then trucked to Beirut and either sold there or sent to countries throughout the Arab world.

The Saudis are trying to put an end to the practice and to enforce the strict boycott of Israeli goods.

An effective ban could have a disastrous effect on the Lebanese economy, already reeling as a result of last year's war and the previous eight years of strife. Lebanon is estimated to have exported goods valued at almost half a billion dollars in 1982; about three-fourths of the total went to Saudi Arabia.

The Saudis are also counting on the ban to persuade the Lebanese to stay in the Arab fold and to reject a normalization of relations with Israel. Arab leaders insist that Israeli troops must be withdrawn from southern Lebanon and they reject the idea of the Lebanese establishing diplomatic relations with Israel. The Israelis say they want a peace treaty with Lebanon, which implies a diplomatic relationship.

"The Saudis are trying to put pressure on the Lebanese to make sure the Israelis get out," an economics expert here said.

The import ban is the second blow the Saudis have dealt the Lebanese since the fighting here stopped in September. The first was a decision to provide no reconstruction aid to Lebanon until all Israeli troops were withdrawn from the country. Given what is regarded here as Israel's hard-line position in the withdrawal talks, that time seems far off.

The Saudi ban on imports from Lebanon has prompted a flurry of activity in Beirut. Foreign Minister Elie Salem has taken up the question with the U.S. special envoy, Philip C. Habib, and other Lebanese officials are also trying to see what can be done.

So far, there has been little progress. Last week, the Lebanese Army said that it would enforce laws banning illegal imports, including Israeli goods, and close "illegal ports." It was not possible to tell how effective the crackdown will be.

Israelis have been marketing their products in Lebanon since shortly after their forces invaded the country on June 6. The Arab Report and Memo, a respected economics newsletter, has reported that the value of Israeli goods shipped into Lebanon in December was about $20 million.

Lebanese Official Contends Army Can Control Nation Without Aid

The Associated Press

WASHINGTON — Foreign Minister Elie Salem of Lebanon said Monday that Israeli fears that Lebanon cannot prevent terrorists from crossing its borders "are not justified" and Israel should get its troops out of his country without further delay.

Emerging from a meeting with Secretary of State George P. Shultz, Mr. Salem said "some progress" is being made in talks on the question of an Israeli pullout.

He rejected an assertion by the Israeli foreign minister, Yitzhak Shamir, that Israel should help bolster security in southern Lebanon for a period of years because the Lebanese Army is not strong enough. The Israelis, Syrians and Palestinians have forces in Lebanon.

"The Lebanese Army is capable now to control all the territory of Lebanon," he said. "We in Lebanon are anxious to have the Lebanese Army control all the Lebanese territory and for all non-Lebanese armies and forces to leave Lebanon."

The issue of protection for Israel after a troop withdrawal has become the major hurdle preventing a withdrawal agreement between the two nations.

Mr. Shamir hinted on a television interview show Monday that Israel wants U.S. backing for keeping some forces in Lebanon for two or three years.

"We are not willing to stay there, to have a permanent Israeli presence, but for a few years — two years, three years — we want to have some arrangements that we will cooperate — Israelis and Lebanese — that we will prevent the coming back of these terrorists," Mr. Shamir said.

Mr. Shultz met separately with both Mr. Salem and Mr. Shamir in an effort to break the deadlock in the 10-week-old troop withdrawal talks. Mr. Shamir also met with President Ronald Reagan. Afterward, he said the White House discussions had been "very good and friendly talks."

"The president expressed again his feelings of friendship towards Israel, his concerns about the security of Israel and his wish to accelerate the arrival of peace in our area — peace between all the countries and Israel," Mr. Shamir said.

They did not discuss details of negotiations on getting Israeli troops out of Lebanon, the Israeli said.

Mr. Shultz and other U.S. officials have supported Lebanon's demand that all Israeli troops leave. Israel has wanted to keep about 750 soldiers and as many as five anti-terrorist observation posts in southern Lebanon.

One alternative put forward by Washington is to have an international force, possibly including Americans, assist Lebanon in protecting its border with Israel.

Mr. Salem said progress was made in the meetings with Mr. Shultz on both the security issue and on a second difficult issue of post-withdrawal relations between Israel and Lebanon.

Mr. Salem said a withdrawal agreement should be possible "very, very soon" because, he argued, Lebanon has "gone a long way" toward addressing Israel's demands.

Electoral Warning for French Left May Cause a Shift Toward Center

(Continued from Page 1)

deficit, the choice for Mr. Mitterrand is between such strictures or a strong protectionist stance, advocated by some of the Socialist Party's theorists furthest to the left.

If Mr. Mitterrand were to choose blatant protectionism he would lose in international standing and create practical problems in relations with West Germany, France's leading commercial partner and a strong free-trade proponent.

With conservative governments in power in West Germany, Britain and the United States, there seems little likelihood that Mr. Mitterrand would decide to buck them by reasserting the kind of doctrine of public spending that led here last year to inflation and a loss of business confidence.

Rather, the circumstances, Mr. Mitterrand's friends have said, point toward a new government team of experts and technicians that stands closer to the traditional center without describing itself as such.

Making the reorientation palatable to left-wing voters will involve all the skills of the president, whose popularity is largely intact. He would be able to say that the tightening-up is a radical cure that corresponds to reality but does not endanger what the government asserts it has achieved in the area of social reform.

Mr. Mitterrand would be likely to restate that socialism in France has brought retirement at age 60, a 39-hour workweek, a fifth week of vacation per year and extensive new social security benefits.

For many members of his party, however, these reforms have pushed social costs to the limit, and perhaps beyond, what the French economy is capable of sustaining. In choosing more rigor, they feel, the president would be drawing a tacit line between what is described here as the socialism of euphoria and that of pragmatism.

The practical risks of such an approach are strikes and a situation in which the Communist Party would no longer find it useful to remain in the government.

A Communist departure from the coalition would intensify the possibility of labor problems, but a break appears unlikely since the Communists took proportionately greater losses than the Socialists in the municipal elections. Weakened at the local level, the Communists continue to appear interested in improving their reputations as administrators and democrats through participation in the government.

Seen in the perspective of a presidential term that runs until 1988, the municipal elections may have worked out to Mr. Mitterrand's relative advantage. Had the losses been more severe, the president would have had to maneuver from a position of diminished authority.

As they were, the results have created enough insecurity within his own party's ranks to allow him, if he chooses, to go ahead unchallenged with measures friends suggest he has been considering for months.

France Seeks Release Of Doctor by Kabul

Reuters

PARIS — France is pressing authorities in Afghanistan for the release of a French physician, Philippe Augoyard, according to a government spokesman. Dr. Augoyard was captured with insurgents during an offensive by Soviet and Afghan troops and sentenced to eight years imprisonment on spying charges.

Radio Kabul said Sunday that Dr. Augoyard, 29, was jailed by a special revolutionary court on charges of spying, twice entering Afghanistan illegally and of helping the insurgents. Dr. Augoyard had been working for the Paris-based relief organization, Aide Médicale Internationale, which has said he was on a humanitarian medical mission.

84 Die in Pakistan Slide

United Press International

ISLAMABAD, Pakistan — An avalanche buried an isolated mountain village in northern Pakistan, killing at least 84 persons and injuring 100, an official report said. At least 11 persons were missing and presumed dead in the disaster Friday in the village of Phupan, 350 miles (563 kilometers) northwest of Islamabad.

United Press International

TRAVEL PHOTO — Prince Charles and Diana, Princess of Wales, were photographed with their son, Prince William, at Kensington Palace to mark their coming visit to Australia and New Zealand.

Rightist Move Imperils S. Africa's Racial Plan

New York Times Service

JOHANNESBURG — A far-right party has withdrawn from a key by-election in South Africa, creating a unified right-wing challenge to the ruling National Party that could endanger its plans to bring nonwhites into the national government.

The far-right Herstigte Nasionale Party decided Thursday not to run in the May 10 by-election in Soutpansberg, a conservative Pretoria constituency. The decision leaves South Africa's manpower minister, Stephanus P. Botha, facing a single challenger, Tom Langley, a member of Parliament from the Conservative Party.

The Conservatives, who broke away from the ruling National Party last year, are led by Andries P. Treurnicht, a former cabinet minister who is opposed to any moves toward a multiracial political system in South Africa. The manpower minister is regarded by the right as an advocate of wider opportunities for blacks.

The defeat of Mr. Botha, who is no relation to Prime Minister Pieter W. Botha, would provoke a crisis in the ruling party that could lead to a general election in South Africa.

A divided right would have stood no chance of beating Mr. Botha. Jaap Marais, the Herstigte Nasionale leader, has urged his followers to work for the Conservative Party, saying this will enable the Conservatives to defeat the minister.

"It is because we regard Mr. Botha to be such a big enemy, especially on the labor front, that we decided to make our own contribution toward defeating him," Mr. Marais said. "We are leaving the field open for the CP and hope thereby to help bring this government to a halt."

The manpower minister, who is leader of the House of Assembly and the most senior in rank of all the prime minister's cabinet colleagues, is regarded as an archenemy by the right because he has piloted labor changes through Parliament in the last few years.

Most recently, Mr. Botha incurred the wrath of the right by indicating that the government will allow the color bar in the mining industry to be removed. The Herstigte Nasionale Party has strong links with the white mine workers' union, which wants to maintain the color bar so whites will have a monopoly of skilled jobs.

OPEC Cuts Price $5, Sets New Limit on Production

(Continued from Page 1)

Thus, Britain is likely to come under renewed pressure for price cuts.

It was Britain's proposal last month for a $3 cut that prompted Nigeria to slash its price to $30 without awaiting OPEC approval. Traders say that another British price cut could cause the new OPEC accord to unravel. Sheikh Yamani said that Britain had room to cut its price by 50 cents, but that a reduction of more than $1.50 would start a price war.

Nigeria's chief delegate to the meeting, Mallam Yahaya Dikko, was asked whether his country would again break ranks with OPEC should Britain lower its prices. "I think we will cross that bridge when we come to it," he said.

Nigeria's insistence on keeping its price below that of Britain, along with Iran's opposition to any official price cut, helped prolong a tense meeting. Before the full sessions in London began, oil ministers from most OPEC countries had held preliminary huddles for nearly two weeks in London, Paris and Riyadh. The ministers were determined to reach some sort of accord, particularly since they had failed to come to terms at three previous sessions in the past nine months.

Venezuela's minister, Humberton Calderón Berti, said Monday that prices for oil produced by Mexico, which is not an OPEC member, would be reduced in line with Venezuela's prices.

The OPEC agreement is the latest response to an oversupply of oil that has depressed prices for the past two years and reduced OPEC's output to less than half its 1979 peak of about 31 million barrels a day. OPEC now accounts for just over a third of oil sold in noncommunist countries.

The 23-year-old group has always bickered about pricing strategy, even when prices were soaring in the 1970s. The Saudi Arabians and their allies have argued that what they considered excessive prices eventually would cut demand by damaging the world economy and encouraging development of new sources of energy. Other members — notably Iran, Algeria and Libya — have accused the Saudi Arabians of acting in the interests of the Western industrialized nations.

At the end of 1980, the quarrel caused OPEC's formal pricing structure to collapse. The Saudi Arabians were using a benchmark of $32, while others aligned their prices around $36.

In 1981, the glut forced most OPEC members to begin reducing prices. In October 1981, all 13 members agreed to a compromise benchmark of $34. That level persisted officially until Monday, but over the past year it has been undermined by widespread discounting.

WORLD BRIEFS

Gdansk Rally Disperses Peacefully

WARSAW (AP) — More than 1,000 Solidarity supporters demonstrated Monday outside the Lenin shipyard in Gdansk, but witnesses reported that the protesters dispersed peacefully and that there were no major confrontations with police.

The witnesses said the crowd jeered at the police and marched about 500 yards (455 meters) along the street toward the railway station, singing patriotic songs before dispersing. On Sunday, police used rubber truncheons to break up a demonstration by about 1,000 protesters. Several protesters were detained.

Lech Welesa, the leader of the now disbanded Solidarity union, said that uniformed officers had stopped him from attending the Sunday demonstration, which was held to protest the trial of Anna Walentynowicz, a shipyard crane operator who helped form Solidarity. Mr. Walesa stayed away from Monday's demonstration; he told Western reporters that he feared "a provocation."

Palestinians Stone Israeli Cars

TEL AVIV (AP) — Palestinian youths threw rocks at Israeli cars Monday in the third week of anti-Israeli violence in the occupied West Bank.

The military command said that the driver of an army car was slightly wounded by stones thrown at his car in Ramallah, six miles (9.6 kilometers) north of Jerusalem. Israel radio reported that a young Jewish woman was hurt when rocks were thrown at an Israeli bus and several Israeli cars in East Jerusalem.

Several dummy bombs were discovered in the Hebron area Monday and security forces were quoted by the radio as saying they could have been planted by "local elements trying to heat up the situation." The radio also said that light arms fire was directed at the home of the former mayor of Doura, near Hebron, who has been ousted by the Israelis for non-cooperation.

Factions Continue Fight in Tripoli

BEIRUT (UPI) — Factional fighting reportedly continued Monday in the northern port of Tripoli and Druze Moslem gunmen surrounded an army barracks in the mountains east of Beirut.

The second day of street fighting in Tripoli pitted factions for and against the Syrian troops who control northern Lebanon. The Christian Phalangist radio said one person was killed and one wounded.

The Druze militiamen, besieging the barracks in Hamana, warned the Lebanese Army and police to keep off roads throughout the mountainous Chuf and Upper Metein area, sources inside the presidential palace said. A meeting Sunday between Walid Jumblat, leader of the Druze, and a former president, Camille Chamoun, current head of the Christian Lebanese Front, raised speculation in Beirut that Mr. Jumblat was discussing his call for a new division of powers between the groups in Lebanon.

Sudan Says Libyan Arms Seized

KHARTOUM, Sudan (UPI) — Sudanese authorities have seized 70 tons of arms, ammunition and explosives that Libyan agents smuggled into the country for an attempted coup last month against President Gaafar Nimeiri, the Sudanese news agency reported.

The agency said Sunday that the Sudanese Navy intercepted a ship carrying weapons and explosives and arrested five crew members, including a Libyan agent who allegedly was directing the smuggling operation.

The agent, identified as Mohammed Suleiman, led Sudanese authorities to another arms cache hidden on an island in the Red Sea, which also was seized, the agency said. The report, quoting unidentified Sudanese intelligence sources, did not say when the smuggling operation was uncovered but said the arms were for an attempted coup against Mr. Nimeiri Feb. 18.

84 Captured by Angolan Rebels

LISBON (Reuters) — Angolan guerrillas said Monday that they had captured 64 Czechoslovaks and 20 Portuguese in an attack on an industrial complex. The insurgents offered to swap their prisoners to obtain the release of convicted British mercenaries imprisoned in Luanda.

In a communiqué issued in Lisbon, the guerrilla organization, UNITA (Union for the Total Independence of Angola), said that during the weekend its guerrillas killed 174 government troops and 13 Cubans in separate attacks.

UNITA said the Czechoslovaks and Portuguese were technicians captured Saturday during a three-hour battle at the Alto Catumbela complex in central Angola. A cellulose factory, three bridges and four generators at the hydroelectric plant were destroyed, it said. The six Britons and an Irishman were sentenced to long terms in prison in 1976 for fighting with pro-Western forces in the Angolan civil war after independence from Portugal.

EC Agrees on Refund to Britain

BRUSSELS (AP) — The European Community agreed Monday to refund Britain $850 million for its overpayments to the 1982 EC budget. No agreement was reached, however, on a permanent solution to complaints by Britain and West Germany about overpayments. They are the two countries in the 10-member Community that pay more than they receive from the Common Market budget.

France, which had raised technical objections to the British refund, finally lifted them, enabling Britain's foreign secretary, Francis Pym, to announce the agreement. "Refunds regulations have been adopted," he told reporters, "which it make it possible the payment will take place before March 31."

The European Parliament and the commission have made proposals for a permanent solution, but the debate has just started.

Francis Pym

Greece Wants to Control U.S. Bases

LARISSA, Greece (UPI) — Prime Minister Andreas Papandreou says that Greece demands control over the use of U.S. military bases on Greek territory and in a new lease wants to establish a timetable for their shutdown.

"The bases serve only American interests, not Greek, not even those of NATO," the Socialist prime minister said Sunday during a rally in Larissa, 125 miles (200 kilometers) north of Athens. "We don't seek a confrontation with the Americans, but they must respect the sovereign rights of our people," he said.

The last meeting on the leasing arrangements for the four main U.S. bases in Greece, and several secondary stations, was held Thursday. No new date has been set for the talks, which have broken down four times since November 1981. The pact expired in 1978 and the government has threatened to shut the bases if no accord is reached.

Yugoslavia Asks Media Support

BELGRADE (UPI) — Yuvoslavia's Communist Party does not intend to crack down on the news media as long as they support the existing one-party government, a top ranking official said Monday.

Speaking to a session of the 163-member Central Committee, Dusan Belovski, a member of the party presidium, urged a "bigger role of party members in editorial boards" of the news media. But he added: "We categorically reject insinuations alleging that the League of Communists is in collision with the press and wants to control it."

In the past two years, Yugoslav journalists have exercised an increasing freedom of expression, ranging from criticism of local corrupt officials to top-level Communist leaders and cabinet ministers for the country's economic woes. But in recent months, party officials have condemned journalists, most of them party members, for not following the party line and for giving a gloomy picture of the country's political and economic situation.

For the Record

JERUSALEM (AP) — Jeane J. Kirkpatrick, the U.S. ambassador to the United Nations, said Monday after meeting with Israeli leaders that she saw "significant movement" toward settling the Lebanon crisis.

PARIS (Reuters) — U.S. and Angolan officials were holding talks in Paris Monday on the future of South-West Africa (Namibia) but no breakthrough was envisaged, diplomatic sources said. They said the meeting, which would probably continue Tuesday, was part of a routine series of contacts.

THE HAGUE (AP) — Prime Minister Rudd Lubbers of the Netherlands left Monday for a meeting in Washington with President Ronald Reagan that will be dominated by security issues, a government spokesman said. Mr. Lubbers is accompanied by Foreign Minister Hans van den Broek.

U.S. Military Exercises Increasing

Reagan Orders More Maneuvers, Shows of Strength

By Michael Wright
New York Times Service

NEW YORK — It is a rare day when the U.S. military is not on the move somewhere in the world.

In South Korea, preparations were being made Monday for Team Spirit 83, a monthlong war game worthy of Hollywood. The cast includes nearly 70,000 U.S. military personnel, three dozen navy ships and 118,000 Republic of Korea troops.

Meanwhile, a force that is to grow to include 36 warships, including three aircraft carriers, began assembling last week in the Caribbean. British and Dutch frigates are to join in the three weeks of training maneuvers, the most extensive held in the area in years.

In recent weeks, Central America has been a focus of U.S. military activity as well. The administration is considering increasing the number of uniformed advisers in El Salvador. And Pentagon officials disclosed Friday that an air force-operated radar station was to be established in Honduras to help track Nicaraguan gunrunners.

In early February, U.S. sailors, soldiers and airmen participated in weeklong maneuvers in Honduras. At times the action came within a dozen miles of the frontier with Nicaragua, which the administration regards as the Marxist scourge of the region.

Later in February, the mock battlefield shifted southward, with 9,000 U.S. troops and Panamanian National Guardsmen practicing how to defend the Panama Canal.

A primary purpose of the 60 or so maneuvers the United States conducts every year with foreign countries is training, Pentagon officials say. A fighting force needs to practice fighting, to see how well its tanks and helicopters and rifles hold up under heavy use and abuse, they add.

But the exercises and more spontaneous displays of might also seem designed to demonstrate that Washington is both trustworthy and powerful.

"The military has always been a very important element of our foreign policy; that didn't start with Ronald Reagan," says Representative William S. Broomfield, senior Republican on the House Foreign Affairs Committee. "When you have a problem with a country like Libya, conventional diplomacy just doesn't work," said the Michigan legislator.

Washington's friends, however, do not always appreciate the trouble or risks taken on their behalf.

Last month, near the conclusion of Big Pine, the maneuvers held in Honduras, Honduran officers and civilian leaders complained that the exercise had done little more than underscore their country's dependence on the United States.

And in 1981, after two navy F-14 fighters shot down two Libyan planes, several conservative, nominally pro-American Middle Eastern countries accused the administration of pursuing "cowboy diplomacy."

Similar criticisms are often heard in Washington. As Big Pine was starting, 75 congressman sent a letter of protest to the White House.

"Big Pine was not a particularly wise way of bolstering our ties with the Hondurans," said Representative Michael D. Barnes, Democrat of Maryland. "The exercise had to have strengthened the hand of the Sandinist regime in Nicaragua."

There is nothing new, of course, about showing the flag. "It's one of the oldest forms of diplomacy," says Robert G. Neumann, a former ambassador to Afghanistan, Morocco and Saudi Arabia.

A post-Vietnam lull in such displays ended during the Carter administration, when the Soviet Union intervened in Afghanistan. Since Mr. Reagan became commander in chief, authorities say, the assertive uses of U.S. warships, fighter planes and infantrymen have accelerated.

In addition to the overseas maneuvers, which sometimes take months to plan, observers have noted more than a dozen occasions when the Reagan administration has used the military to make a fast point.

A Special Forces unit was airlifted to Liberia in April 1981, for example, to help commemorate the first anniversary of President Samuel K. Doe's coup and to help keep his enemies at bay.

And last month, in response to what the Reagan administration said were Libya's designs on Sudan, the aircraft carrier Nimitz was dispatched to patrol the waters off North Africa and four electronic surveillance planes were hurriedly flown to Egypt.

The pace of American flag-showing seems unlikely to ease. For one thing, many analysts believe, the emphasis the administration has given to building up the armed forces will probably increase the likelihood of the Pentagon being called into play.

"We're not going to spend all this money on the military and then keep it parked in the garage," a private military expert said.

The Associated Press

A Soviet destroyer shadowed U.S. vessels gathering off South Korea for war games.

North Korea Criticizes U.S., Seoul As They Begin Joint War Games

Reuters

TOKYO — North Korea bitterly denounced the United States and South Korea Monday, as a big U.S. and South Korean naval task force prepared for a mock invasion of the peninsula.

Articles carried by the Korean Central News Agency, monitored in Tokyo, described the South Korean president, Chun Doo Hwan, as an American puppet and accused the United States of being an imperialist aggressor occupying South Korea.

Meanwhile the combined fleet, including two U.S. aircraft carriers, prepared to put about 5,000 American and South Korean marines ashore near Pohang on the southeast coast of South Korea.

U.S. Navy sources said the maneuvers, called Team Spirit 83, had been postponed for a day until Tuesday because of heavy seas. They added that they were being observed by at least one Soviet warship.

The exercise is designed to show how the United States would respond in the event of war in the Korean peninsula.

North Korea has placed its forces on "semiwar" alert for the 10-week war games.

President Kim Il Sung of North Korea said Sunday that he had not attended the nonaligned conference in New Delhi, which has just ended, because of "the critical situation" created by the exercises. China has also criticized the war games.

Military sources in Tokyo said more than 30 ships were assembled off Pohang, including the 75,500-ton, nuclear-powered carrier Enterprise and the 51,000-ton carrier Midway, normally based in Japan.

An amphibious force, including helicopter carriers and more than a dozen missile-armed cruisers and destroyers, were in the task force, they said. U.S. submarines, which usually travel with carriers, are also believed to be in the area.

Welch Quits as Head Of John Birch Society

United Press International

LOS ANGELES — Robert Welch, the founder and president of the ultraconservative John Birch Society, has resigned after 25 years and become chairman emeritus of the anti-communist organization.

Herb Schurter, Orange County coordinator of the society, said Sunday that Mr. Welch, 83, will be succeeded as president by Thomas Hill, formerly the organization's executive secretary.

Spain Envisions Role in Peace Talks in Central America

By John Darnton
New York Times Service

MADRID — There are signs that Spain's Socialist government is interested in playing a role in bringing about peace talks in Central America.

The interest, officials say, can be detected between the lines of carefully worded official statements, in meetings with Latin American envoys and in articles in the Spanish press.

Mexico's foreign minister, Bernardo Sepúlveda Amor, arrived Thursday for talks with Spanish officials. Cuba's foreign minister, Isidoro Malmierca Peoli, is expected this week.

El Pais, the respected Madrid daily, said recently that Mexico, Panama, Colombia and Venezuela were promoting a plan for a peace conference in the region and had asked the Spanish prime minister, Felipe González, to intercede to get U.S. backing for it.

The article, which referred to a meeting held by the four nations in January, gave the impression that the mood in favor of such a disarmament conference and for a Spanish role in it was building throughout Latin America.

In response to speculation, the government spokesman, Eduardo Sotillos, said recently that Mr. González was ready to cooperate in a search for peace in Latin America provided that the initiative for talks came from the democracies there.

This official stance — that Spain is willing to intervene only if it is asked to do so — appears designed to take into account Latin American sensitivities over involvement by a European and "ex-colonial" country.

The Spanish government is going to great lengths to avoid the impression that it is trying to impose itself as a mediator in the region, even though some officials believe that linguistic and historic ties should give Madrid special leverage.

"It's not a question of mediation but of assistance," said Elena Flores, who heads the international department of the Socialist Party. "Spain is willing to help but it all depends on if they ask us and what they ask us to do."

Speaking as an official of the party, not the government, Mrs. Flores said she saw a "great prospective" for Spanish-Latin American cooperation that would avoid "the temptations of hegemony because of our limited resources."

The surge of interest in Latin America springs from several causes. One is the assertion of a special affinity for the Third World that accompanied the Socialists in their rise to power and formed a plank in their foreign policy platform in the October elections. It centers around the idea that Spain's peaceful transition from dictatorship to democracy could serve as a model for Latin America.

Some believe that Spain should be the champion of the Hispanic world. Luis Yanez, president of the Institute of Iberoamerican Cooperation, told a Senate panel recently that Spain should create a "pole of autonomous culture" for the Spanish-speaking community to fight off "cultural aggression" from North America and France.

Another is the idea, not often directly stated, that a leadership role in Latin America could enhance Spain's overall prestige and serve as a powerful bargaining chip in its still unsettled relationships with the rest of Europe and the United States.

Spain's top priority is to join the European Economic Community, overcoming the resistance of France, which fears that its own agricultural products will be undercut in price. The government appears unwilling to run the risk of a rupture with Washington by withdrawing from the North Atlantic Treaty Organization but is searching for near neutrality in the general conduct of foreign affairs.

A third reason for Spain's interest in Latin America lies in the personal predilections of its leader, Mr. González. He has had a long-standing familiarity with the region and knows many of the leaders through his position as vice president of the Socialist International, where he was in charge of Central American affairs.

Mr. González has several times publicly advocated what he calls a "mini-Helsinki" conference on security and cooperation in Latin America that, like the 1975 conference in Europe, would bring together all of the countries.

Its goal would be to end hostility between Honduras and Nicaragua and the fighting in El Salvador and draw up agreements to curb arms imports and enhance overall security.

Unlike the conference recently proposed by Costa Rica, Honduras and El Salvador, the Spanish version would not exclude the United States. Madrid views U.S. participation as essential to the success of any major peace agreement.

Rebels Link El Salvador to Regional Struggle

By David Wood
Los Angeles Times Service

WASHINGTON — El Salvador's leftist guerrilla movement has declared, in a radio broadcast, that it sees its struggle against the U.S.-backed government as part of a wider regional conflict. The broadcast came remarkably close to Reagan administration views.

The clandestine broadcast of Radio Venceremos, the voice of the five insurgent organizations, declared Sunday that the guerrillas "are proud" of their ties to Cuba and Nicaragua. It added that the rebels view the struggle "in the framework of a regional conflict" in Central America, the Caribbean and Latin America.

The statement, transmitted from a secret location in neighboring Nicaragua, also boasted that the rebels have imported arms "through all routes that we could" and that "we have used all of Central America and other countries" for that purpose.

The broadcast appeared to support charges made by the Reagan administration that the insurgency is at least encouraged and armed, if not directed, by the Soviet Union, Cuba and Nicaragua and that it 's aimed at toppling moderate governments throughout the region one after the other.

The State Department's Latin America analysts said they could not immediately explain why the guerrilla movement would announce, in effect, that it subscribes to the "domino theory" embraced by the White House. The analysts indicated that the guerrillas have not previously characterized the fighting as being of a regional nature.

The broadcast also appeared to undercut congressional and other critics of the administration policy who have argued that the guerrillas seek only to establish social justice in El Salvador.

One such critic, Senator Gary Hart, a Colorado Democrat, said Sunday during a U.S. television interview that he is opposed to further U.S. military aid to El Salvador because "we are not going to achieve democracy out of the barrel of a gun."

Mr. Hart, who is seeking the Democratic presidential nomination, said he favors negotiations aimed at including guerrilla groups in the government before national elections, an approach the Reagan administration has rejected.

Defense Secretary Caspar W. Weinberger, also interviewed on U.S. television, said Sunday that the Soviet Union is seeking to "establish a Communist regime in El Salvador, on the mainland, working its way closer to the United States.

"Their purpose," Mr. Weinberger said, "is to attack the United States in this way from the south, knowing that as they got closer we'd be under strong pressures to pull ourselves out of Europe and out of Japan and Korea and establish some sort of fortress America, which would serve Soviet purposes very well."

Mr. Reagan put it more succinctly in a speech March 5: "We believe that the government of El Salvador is on the front line in a battle that is really aimed at the very heart of the Western Hemisphere — and eventually at us."

Radio Venceremos is the voice of the Farabundo Marti National Liberation Front, an organization of five Marxist guerrilla groups. The political arm of the opposition to the government, the Democratic Revolutionary Front, is believed by many analysts to be a less hard-line organization. Officials of the revolutionary front, headquartered in Mexico City, could not be reached for comment.

Both groups have demanded negotiations for a "comprehensive political settlement" before they will participate in elections.

Although the Reagan administration has indicated it would not insist on a cease-fire as a precondition for such a dialogue, Mr. Reagan has refused to "short-circuit the democratic process and carve up power behind peoples' backs."

Salvadorans Suspect 2 Journalists Slain

United Press International

SAN SALVADOR — Two unidentified foreigners believed to be journalists were killed Monday while traveling with Salvadoran guerrillas who clashed with troops, the army radio said. It said one of the dead was a German woman and the other was a foreign man but did not give his nationality.

Earlier, a Swedish diplomat said two Swedish free-lance journalists, Jens Rydstrom and Tom Thulin, were released Sunday to the Red Cross after having been trapped for a month with fleeing guerrillas.

Bomb Explodes in Bern

The Associated Press

BERN — A pipebomb exploded Monday outside Bern City Hall, in the heart of Switzerland's capital, injuring no one and causing little damage, the authorities said. No one claimed responsibility for the predawn bombing, which shattered windows and damaged the front door of the 15th century building, the authorities said.

More Given to U.S. Charities, But Federal Cutback Is Noted

New York Times Service

NEW YORK — In the midst of a severe recession, individuals, companies and foundations in the United States gave nearly $60 billion to charity last year, more than ever before.

But despite the generous giving, the rate of increase slowed, just as it did in the downturn in the mid-1970s, according to the American Association of Fund-Raising Counsel, a leading authority on philanthropic trends.

President Ronald Reagan has urged Americans to give more to meet community needs at a time when he is seeking to curtail federal spending on many social programs and reduce the role of government. He reiterated that policy March 3 in a speech in Los Angeles, declaring that private initiative was "America's most precious resource."

But no prospect was seen by the association that private contributions could make up for the reduction in federal financial support for the country's 300,000 nonprofit organizations active in education, health, social welfare and the arts.

The association found evidence that giving to arts and humanities organizations and to civic and public affairs groups was tempered because of a shift toward human needs. Moreover, it noted that the total of giving to the arts had been raised by a gift by J. Paul Getty of $1.3 billion to the museum bearing his name.

The association of fund-raising counsel gave a tentative breakdown of gifts by category: Religious organizations in 1982 received $28.1 billion; education $8.49 billion; health and hospitals $8.3 billion, and social services $6.2 billion — a gain of 10 percent — civic and public organizations, $1.37 billion; and foreign aid $2.54 billion. The arts and humanities organizations received $4.86 billion.

Herald Tribune
INTERNATIONAL
Published With The New York Times and The Washington Post

The Squeaky U.S. Gates

It has become a persistent pattern for the State Department to bar U.S. doors to guests with unwanted political affiliations. The latest instance is especially offensive. A visa has been denied to Mrs. Salvador Allende, widow of the Chilean president who was slain in 1973. The contention is that her making a speech in San Francisco would be "prejudicial to United States interests."

That is not just nonsense but sinister nonsense. The department concedes that the 68-year-old Mrs. Allende's appearance would not disturb public order. Her exclusion is justified solely by her membership in the allegedly pro-communist World Peace Council and motivated by a desire to shut out her uncongenial view of events in Chile.

The larger scandal is that such exclusions have become habitual. Last December, two Cuban scholars were denied permission to attend a meeting of the American Philosophical Association. Other Cubans were denied entry to speak at panel discussions in New York and Washington. With impartial zeal, the State Department's excluders have also denied visas to two Northern Ireland figures, the Protestant hard-liner Ian Paisley and, in the other corner, Owen Carron, who was elected to the British Parliament with support from the Irish Republican Army.

In the same spirit, 315 foreigners were blocked from attending a United Nations disarmament debate last June. The government maintained that the applicants, mostly from Japan, belonged to leftist groups proscribed by the McCarran-Walter Immigration Act. But in the past, thousands of waivers were granted in similar cases.

In London a year ago, and in Orlando, Florida, just the other night, President Ronald Reagan talked at length about the blessings of liberty and the immorality of communism. Evidently, that confidence is only for the export trade. But if conviction cannot guide policy, what about the legal commitments to agreements like the Helsinki Final Act, whose violation by communists is a staple of State Department rhetoric around the world? The accord commits all signers "to seek, receive and impart information and ideas through any media and regardless of frontiers."

Good words, those, for lubricating American gates.

— THE NEW YORK TIMES.

Judging the Reagan Recovery: The Jobless Vote Too

By Robert J. Samuelson

WASHINGTON — During the recession, the Du Pont Co. overhauled its $3-billion plastics business. It cut the work force about 10 percent, closed down some operations and improved the chemical processing in others. The result was enhanced efficiency.

Ponder the Du Pont story as you wonder about the economic recovery. The evidence that it has arrived is compelling. Housing starts jumped 36 percent in January, durable goods orders rose 4.5 percent and earnings increased 1.6 percent after inflation. Now, forecasts about the recovery's strength and length are flying fast and furious.

Take them with a boulder of salt. Over the past three years, forecasters have achieved the accuracy of Chinese fortune cookies. Nothing suggests quick improvement.

The Du Pont story is relevant, for it is not an isolated incident. Suffering from squeezed profits, or huge losses, many firms have moved dramatically to streamline operations. Now, rising demand will improve productivity and profits significantly, but employment only modestly.

Nor is that all. Some of the recovery's energy will leak abroad. Higher domestic demand will increase imports and the overseas employment of multinational firms, which locate production where costs are lowest. State and local governments, a main source of past employment growth, are struggling to cut payrolls.

All this suggests that recovery is relative. Just as the slump did not affect most Americans, recovery's onset will not provide instant relief for many of the victims. Inflation may be lower than is commonly forecast, but unemployment could be worse. Austerity's aftershocks linger.

The political implications of this are tantalizingly ambiguous. From the outset, the Reagan administration has assumed that high inflation bothered more people than did high unemployment. Therefore, squelching inflation, even at the cost of rising unemployment, would pay rich political dividends.

This implicit calculus was obscured by the administration's initial — and wholly unrealistic — assumption of both declining unemployment and inflation. (Unemployment was to drop below 6 percent in 1985.) The strategy has suffered further because the steeper-than-expected rise in joblessness robbed the administration of a crucial asset: the popular perception that it controls the economy.

High joblessness is now an unavoidable Republican liability in 1984. To reduce unemployment, the economy needs to grow faster than its underlying potential. At that rate of growth, it absorbs only the normal increase in the labor force. How much faster does it have to grow? In the 1960s, the economist Arthur M. Okun estimated roughly that an extra percentage point of growth reduces unemployment by 0.3 percentage points. That may have risen to 0.4.

The economy's long-term growth potential is now reckoned at about 3 percent. With low factory use and high unemployment, growth is widely projected at slightly more than 4 percent for the next few years. Even if that proves low, Mr. Okun's arithmetic implies a civilian unemployment rate that easily would exceed 9 percent in 1984 (it was 10.4 percent last month). But even this may be too optimistic.

At Du Pont and countless other firms, operations were reorganized to reduce overhead. Because profits declined sharply in the recession (down 30 percent without adjusting for inflation), firms are not eager to employ new workers. A recent survey of 600 major companies by the consulting firm of William M. Mercer found that 45 percent expected their work forces to remain unchanged in 1983, 21 percent planned increases and 26 percent expected cuts averaging 5 percent.

Less noticed is what is happening in state and local governments, which generated *one of* every five new jobs from 1950 to 1980. Schools, colleges, social services and police forces all expanded. Now these governments are retrenching. In 1981 and 1982, their employment dropped for the first time since 1951.

The decline reflects more than sliding school-age populations. John Shannon of the Advisory Commission on Intergovernmental Relations attributes the shift to the recession, tax revolt and reduced federal aid. Since 1978, per capita federal aid (adjusted for inflation) has dropped nearly 25 percent.

The converse of all this may be lower inflation. Chase Econometrics and Data Resources predict price increases of roughly 4.5 percent in 1983, rising toward 6 percent in 1985. These follow the normal pattern of rising wages and prices during a recovery.

But the projections may understate the recession's continuing ripple effects. Dropping oil prices are but one symptom. The forecasts, for example, predict only modest productivity gains. Likewise, they assume that inflation's slowdown will not inspire much of a further hop in wage increases.

No one can really predict the recovery's depth or strength. Huge uncertainties — oil, international debt, massive government deficits — frustrate prophecy.

They also limit government. The lesson of the past two decades is that well-intentioned policies often have unintended effects. Even a quick drop in interest rates, assuming the Federal Reserve could achieve it, is not likely to generate a spending boom by cautious consumers or businesses with excess capacity.

The Reagan recovery reflects the recession and the preceding massive [illegible]. The American economy is undergoing readjustments. Inflationary expectations are declining. Businesses have eliminated inefficient operations. But the lingering high unemployment is staggering.

The only certainty is that recovery, [illegible] it lasts, will dominate the nation's politics for the next two years. Is it evidence of [illegible] decisions that now promise [illegible] — or of ghastly mistakes? Only [illegible] can ultimately render the verdict on Ronald Reagan's political gamble.

National Journal.

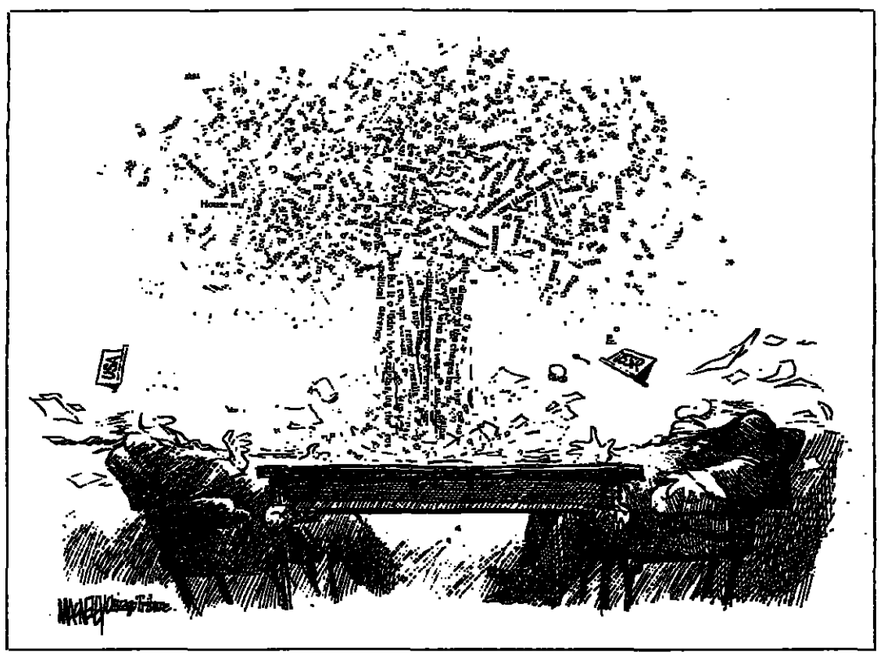
A Pall Over Zimbabwe

Perhaps no country could have borne the burden placed on Zimbabwe when it came to independence three years ago. It was widely seen then as the place in Africa where an elected black majority government would rule democratically, make a fair place for the white minority as well as for its black rivals, conserve and develop efficiently the country's great resources and play a constructive role in regional affairs. The Carter and Reagan administrations in turn lavished good will and aid on Zimbabwe, expecting and gaining very *little direct recompense, in order to help the* country and to identify the United States with a presumptive showplace of change.

It is quite wrong now to say that all the hopes placed in Zimbabwe, and in the leadership of Prime Minister Robert Mugabe, have washed out. Mr. Mugabe's commitment to national reconstruction and development has heartened a good many observers. He cannot be blamed for the ways in which world recession has aggravated home-grown economic strains or for the costs imposed by South Africa's unprovoked hostility and meanness, in pulling out its locomotives, for instance. In recent months, however, a tendency has deepened that has cast a pall over Mr. Mugabe, and over the future of Zimbabwe. Mr. Mugabe has pursued personal, political and tribal differences with Joshua Nkomo, his colleague in the drive for independence and his rival for national leadership before and since, to the point where Zimbabwe may now stand not far from the brink of serious long-term unrest.

The facts are not all in, and no doubt Mr. Nkomo and his troops have a large share of the responsibility for the unraveling. But what *is evident at the moment is that the Zim*babwean Army, made up mainly of men from Mr. Mugabe's Shona majority, has been sweeping through the areas where members of Mr. Nkomo's Ndebele minority live, ostensibly looking for armed deserters and dissidents, and killing villagers in large numbers. The other day Mr. Nkomo fled the country, and the question now is just how bad the military action may turn and whether Zimbabwe's commitment to democracy and its wholeness as a nation — admittedly a nation under great strain — will survive.

— THE WASHINGTON POST.



Is Troubled Yugoslavia A Poland in the Works?

By Leopold Unger

BRUSSELS — Nicholas I, czar of all the Russias 140 years ago, brushed aside the Balkans with an effective epithet: the sick man of Europe.

Now, three years after Tito's death, and in the midst of the most *severe economic crisis since the end* of World War II, Nicholas's heirs could be tempted to apply that phrase to Yugoslavia. That may be a bit premature.

Yet, for the first time since the war, rationing has been introduced in Yugoslavia for cooking oil and coffee — and this is only the visible part of a serious problem. Inflation is at 40 percent and unemployment affects 12 percent of the active population.

*The economy suffers all the char*acteristic ills of a communist system: Five percent of the active population was absent from the job on any given day last year, while those present were actually working only 40 percent of the time. Productivity in some sectors is no more than half the rates attained in the West. The nation's foreign debt is at $19 billion — greater than Poland's when measured on a per capita basis.

Does Yugoslavia's economic crisis threaten the sort of political crisis that Poland has gone through?

The government shrugs off the question, but the similarities are there. Although it is very different from the Soviet model, the Yugoslav socialist system remains typical of East European regimes: There is only one political party; the army and the police have a major role; a bureaucracy headed by aging leaders rules the state; and consumer goods have become scarce.

The average real income in Yugoslavia this year will be perhaps 25 percent lower than in 1979. It was for much less that a strike broke out in Gdansk in August 1980.

In addition, aspects of the Yugoslav system that had worked to incite progress have been transformed during the economic crisis into factors of regression. Worker self-management and decentralization have become egoism and chauvinism. In Yugoslavia these notions are dangerous ideas, because in the Balkans dissatisfaction and anger are closely linked to nationalism and separatism.

Manifestations of nationalism can be seen throughout the country: brawls between Serb and Croatian *youths, disputes among the dominant* religions (Roman Catholic, Moslem, and Serbian and Macedonian Orthodox), and ideological confusion.

There are other examples. A nationalist play was withdrawn from the stage in ethnically mixed Novi Sad, the chief city of Voivodina province, which has a 20-percent Hungarian minority; the book "The Real and the Possible," by Dobrica Cosic, was forbidden last year, apparently *because of a reference to nationalism* in Kosovo province.

In Kosovo, which is inhabited largely by ethnic Albanians, the situation is serious. Two years after nationalist riots in which several people were killed, unrest continues. Since April 1981, about 400 Yugoslav Albanians have been sentenced to jail terms of up to 15 years, and 2,000 have received terms of less than a year. Last month, 23 ethnic Albanians were sentenced to up to 15 years in jail by a court in Pristina, the provincial capital.

Although it may be unpalatable to some to help out a troubled communist nation, the West can gain nothing from a worsening of the crisis in Yugoslavia, which after all, is not an ordinary communist country. Yugoslavia must be helped — reasonably and with firm, but acceptable conditions — to find the economic means to improve its situation and thereby control the internal tensions.

The United States has taken the initiative of organizing an international assistance program of more than $4.5 billion to help Yugoslavia, and it has had the good political sense to place the program under the control of the Swiss and the International Monetary Fund.

It is an important program, and it may be the price to pay for the independence of Yugoslavia.

International Herald Tribune.

Other Opinion

The Vote in France...

Has the left become intolerable after almost two years in power? No, said the voters in the second round of municipal elections, though in the first round they had expressed real dissatisfaction. They have not renounced the political change of 1981, but they do expect better things.

The left lost fewer large cities than it had feared following the March 6 vote, but the ample warning given that day cannot be ignored. Leaders on the left recognize this and promise they will respond accordingly.

— Le Monde (Paris).

...and in Schleswig-Holstein

The [Christian Democrats] scored a brilliant victory in a state which, with 12.6 percent unemployed, is in fourth place in the West German recession rankings. It was hope, again, that guided the hand of the voter. He decided overwhelmingly in favor of what he considered the greater competence.

— Die Welt (Hamburg).

Of God and Reagan

When a politician claims that God favors his programs, alarm bells should ring. That is what Ronald Reagan has done. Speaking to the National Association of Evangelicals in Orlando, Florida, he said that belief in God should make Americans join him in opposing a nuclear freeze and pressing a vast buildup in U.S. weapons.

"There is sin and evil in the world," the president said, "and we are enjoined by Scripture and the Lord Jesus to oppose it with all *our might." Soviet Communism is "the focus* of evil in the modern world," he said, and those who favor a mutual freeze on new nuclear weapons ignore "the aggressive instincts of an evil empire."

If there is anything that should be illegitimate in the American system, it is such use of sectarian religiosity to sell a political program. And this was done not by some fringe figure, but by the president of the United States.

What is the world to think when the greatest of powers is led by a man who applies to the *most difficult human problem a simplistic the*ology — one rejected by most theologians?

Any president is entitled to give uplifting talks about moral or spiritual questions. But Mr. Reagan was doing something very different. He was purporting to apply religious concepts to the contentious technical particulars of arms programs. Can the concept of good and evil determine whether 10,000 nuclear warheads is enough? Whether a nuclear freeze is likely to make the world more or less safe?

What must the leaders of Western Europe think? They look to the head of the alliance for rhetoric that can persuade them and their constituents. What they get from Ronald Reagan is a mirror image of crude Soviet rhetoric. What must Soviet leaders think? What confidence can they have in the restraint of an American leader with such an outlook?

— Anthony Lewis in The New York Times.

No Excuse on Arms

A month has passed since Vice President George Bush returned to the United States to report to the president on the attitudes of European governments toward the deployment of nuclear missiles in Europe.

At his last stop, in London, he confirmed that the United States was willing to move on from its "zero option" proposal to the Soviet Union at the Geneva disarmament talks. He talked of three principles governing any compromise: The number of such missiles must be at the lowest possible level; they should provide equal forces for the United States and Soviet Union; and any such agreement must be verifiable.

Since then there has been no fresh initiative embodying these principles from the United States, and the Geneva talks have remained in *limbo. This was an understandable state of af*fairs as long as the uncertainty over the outcome of the German general election persisted. Any fresh offer advanced by the United States would have been undermined in Russian eyes by the possibility that America's most important European ally would not accept the installation of new U.S. missiles.

With Helmut Kohl's victory for the conservatives in West Germany, that possibility has been greatly diminished. This has significantly reduced a reason for U.S. inactivity in the talks, and it has *removed the excuse.*

— The Financial Times (London).

The Missile Battle Has Just Begun

By Christoph Bertram

HAMBURG — In the recent German election campaign, the Social Democrats argued against the deployment of new nuclear missiles, and they suffered a major defeat. Their rivals, the Christian Democrats, argued for economic recovery, and they won a remarkable victory. The government of Chancellor Helmut Kohl now enjoys a clear and stable majority in the West German parliament.

Yet those who would like to interpret the result as proof that the nuclear concerns in Germany have subsided and that there is now overwhelming support for NATO's decision to deploy new medium-range missiles, are guilty of wishful thinking. All that the election outcome has shown is that more people are worried about the economy than about nuclear war. The nuclear issue is still capable of uniting a majority of West Germans against the missile deployment scheduled for late 1983.

In the coming months, the nuclear controversy will flare up again. It will be fueled not only by the general malaise but also by political action. The peace movement has already announced that it will take the matter to the streets, and it will be supported by the new Green party and the left wing of the Social Democrats. The Soviet Union, no doubt, will do its utmost, through well-publicized peace initiatives, to stimulate public fears. Massive popular demonstrations at the proposed missile sites can be expected, and violent clashes cannot be ruled out.

If the opponents of the NATO programs succeed, the political consequences will be profound. The prospects for arms control in Geneva will become bleak. Alliance relations across the Atlantic will be seriously strained. The Soviet Union will have obtained a de facto veto over European nuclear programs for the rest of the decade.

Bonn and Washington cannot rest on the laurels of Helmut Kohl's electoral success. Leaders in both capitals will have to do their share in rebuilding majority support for the missile deployment in case the Geneva negotiations should fail.

The German government will have to make a major political effort to regain the initiative in the public debate. For too long, West Germany's political leaders, who were, after all, instrumental in the NATO decision, have allowed the missile issue to be dominated by those who oppose it.

As a result, the supporters of the NATO program have been on the defensive, and public opinion has become progressively sympathetic to the anti-missile arguments. To reverse this trend, the German political *leaders must now try to shape the de*bate. That can be done through a series of major statements that support their claim that, in the absence of a compromise in Geneva, the stationing of the new missiles will be necessary for Western security.

But Washington, too, will have to move. The Reagan administration needs to convince the German public that an eventual failure at the negotiating table cannot be attributed to American rigidity; it must show that it is willing to probe all possibilities for a reasonable agreement. And this must be shown soon. The current round of talks at Geneva will end March 28; the next round will start only in June. If no new initiative is taken before the break, this will mean a period of more than two months when Soviet propaganda can make its impact while the United States will look like it is dragging its feet.

There are many in Washington who argue that the United States should sit tight, move ahead with the preparation for the missile deployment, and push the Soviet Union toward concessions. Under present circumstances this is the wrong advice.

In these negotiations, negotiating credibility and deployment credibility are mutually dependent.

So it is true that only if the United States can impress upon the Russians that the new missiles will be deployed, can there be a sensible result in Geneva. But to do so, Washington must be sure that it enjoys the support of European public opinion. And to generate that support the German government must be able to convince its public that the United States is actively and seriously negotiating.

NATO's double-track decision of December 1979 thus requires a double-track strategy. European governments and particularly the German government have to regain the initiative in the missile debate at home. And the United States has to complement their efforts by flexibility in Geneva.

Without an effort by German leaders to generate public support on the missile issue, the United States cannot negotiate effectively. And without an effort by the United States to move forward soon in the negotiations, the battle for the hearts and minds of Germany's citizens may well be lost.

The writer is political editor of the West German weekly Die Zeit. He contributed this article to The Washington Post.

From the Nonaligned, Still a Double Standard

By Flora Lewis

NEW DELHI — Of course, there is still a double standard. For some, it stems from ideology. But all the huffing and puffing at the nonaligned conference here over how to phrase the verbose declaration makes it clear enough why others go along.

It is a sense of helplessness. Words form the bulk of their arsenal in the struggle to fill independence with more than mere self-congratulation.

Some of the countries are heavily armed for their size, and some, oil exporters, have known sudden national wealth. But the weapons only prey on weaker neighbors and the money is drying up. That could have been foreseen, but, in the exaltation of the moment, it was not. Now it is easier to blame disappointment on others than to admit a lack of prudence.

Sheikh Jaber al-Sabah of Kuwait said that industrial countries have launched a price war to squeeze down the income of exporters. Others, with more reason, blame "scrooge" interest rates for driving them to bankruptcy. Nicaragua and Grenada, backed by Cuba, called for a debtors' strike to frighten Western banks. They lost that one because too many know that creditors set the terms for loans, not desperate borrowers.

For all the high-sounding words about solidarity and the Third World's superior concern for global peace and welfare, there is a narrow-*eyed national self-interest here at* least as dominant as among powerful states, and sometimes more so.

Though they have nothing in common with Cuba's view of the world, Argentina, Bolivia and Belize helped Havana tar and feather the United States in return for endorsement of their pet projects.

This was expert log-rolling, abetted by Cuba's neat use of another parliamentary trick: keeping meetings going day and night without a break, to exhaust less adamant opposition.

But they were all just words, and nobody supposed they would settle anything. In a way, that was an advance because it was a reminder that letting off steam does not drive any engines.

Prime Minister Indira Gandhi, chairing the meeting and trying to maneuver the quarrelsome leaders from the strident "spirit of Havana" toward a calmer spirit, called for a "more realistic and practical orientation" to make solutions possible.

There is a nostalgia, somewhat mythical as usual, for the time of creation when nonalignment was supposed to mean steering a course between East and West and drawing strength from unity. Now, there are valid fears that factions within the nonaligned movement serve to spread superpower rivalry and increase tensions.

Even if "alignment" is reduced to meaning only formal membership in an alliance with the United States or the Soviet Union, thus excluding Cuba and Vietnam, for example, the presence of Portugal, a member of the North Atlantic Treaty Organization, and Romania, a Warsaw Pact member, shows how thin the notion of distance from the Cold War has become.

Hot war was another, *painful*, matter for the nonaligned. Iran versus Iraq is the most glaring case. Despite earnest efforts, the best the New Delhi conference could do was to issue statements such as the one by Forbes Burnham of Guyana congratulating the movement on declarations "which, if fully complied with, will further eliminate conflicts."

The nature of the membership still makes it easy enough for the group to come down hard and unanimously on some controversies, namely, against Israel and South Africa and for Namibian independence. Israel is a special case, but the shortness of the list shows how much has changed since colonial rule was a real target.

In the land of Mahatma Gandhi, that thought does refresh faith in the power of words.

The New York Times.

FROM OUR MARCH 15 PAGES, 75 AND 50 YEARS AGO

1908: A 'Gentleman Burglar'

PARIS — Since the days when E.F. Willard created the character of the Spider in the "Silver King," the gentleman burglar has come to be recognized as an adjunct of modern society. That he moves with the times is shown by a series of daring thefts committed by a mobster named Roussel, who spotted likely victims, calling on them to ascertain where their safe was. Finally, detectives got onto the track of the speeding automobile, which was always followed by a burglary, and Roussel was arrested at Marseilles, just as he was preparing to leave for South America with a young singer. There, he explained, he had hoped to live "peacefully and forgotten."

1933: The Monaco Succession

MONACO — The dynastic question that has agitated this little principality since the adoption by Prince Louis of his natural daughter Charlotte, has entered on a new phase with the advance of the claims of the pretender to the throne, Compte Aynard de Chabrillan. The question of succession reached an acute stage with the renunciation of Princess Charlotte, following her divorce from Prince Pierre de Polignac. She has announced her intention of remarrying and going to live as a private citizen in Italy. As a result, Prince Louis has been thinking of appointing a regency council to rule, in case of his death, during the minority of Prince Rainier. Charlotte's 10-year-old son.

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LETTERS TO THE EDITOR

Smugness Fades

Regarding "Kohl Presents His Chits" (IHT, March 9):

This New York Times editorial was a sad commentary on the state of political thought in the United States. Living abroad and being exposed to a continuous and thorough dialogue, my American smugness is continually being chipped away. Labeling Canadian films about acid rain and nuclear war as propaganda; allowing wiretapping to be resumed by the FBI with advocacy as a yardstick; what are we afraid of? Ideas? Thought? Certainly we are strong and healthy enough to defeat thought with thought, words with words.

The New York Times is able to see the Russians making the West German elections into a "crude choice between East and West." But just what was the intent of Vice President George Bush's recent tour of Europe and the rhetoric that flowed from his lips, if not a crude (and amateurish) attempt to influence the West German electorate? Certainly the Germans were making more important decisions for themselves than to show the United States that they were still on its side.

And why should any West German "feel proud as well as dutiful" toward the United States? Do we feel *proud and dutiful* toward the West Germans? The West Germans are our allies, not our pawns.

BRAD ADAMS
London.

Fewer Jobs Tomorrow

Regarding "Europe's Unemployed" (IHT, March 9):

While it is true that the Europeans have built *economies that are poorly* adapted to deal with change and that the growth of service industries is insufficient to take care of the young coming into the labor market, and while it is equally true that all people have a craving for security and that benefits and taxes increase the incentive to invest in labor-saving technology, the weakening of the current social service systems will be but a very temporary solution.

What has to be faced is that the Third Industrial Revolution will no longer need the number of persons of all ages on the labor market. Capital transfers shall in the long run have to take care of a majority who will become superfluous because they do not produce the robots, or service them, or simply push the *button*. If there are few jobs today, there will be fewer tomorrow.

ELLEN B. HILL
Rome.

On Birthrates

Regarding "The Tale of Two Birthrates" (IHT, March 3):

We are witnessing a global demographic distortion. The birthrate in the industrial countries is so low that they are likely to face a tremendous shortage of manpower. In the developing countries, the birthrate has remained high, and they will have the world's most youthful population.

Confrontationists in developing countries might feel pleased at such a trend, seeing it as nature's revenge on their erstwhile colonial masters. But in reality, this might be in the interest of no one. A diminished and aging population in the industrial world would retard technological development and productivity in these countries. And that, in turn, could only have adverse effects on the developing nations.

MAHMOOD I. ELAHI
Geneva.

Letters Show Truman as Tough, Naive

As Farmer and President, He Wrote to Bess of Mark Twain and Stalin

By Edwin McDowell
New York Times Service

NEW YORK — Almost 1,300 letters from Harry S Truman to his wife Bess, spanning a half-century, from the time he was a struggling 26-year-old farmer until six years after he left the presidency in 1953, have been made public.

Some of the letters, held by the Harry S Truman Library in Independence, Missouri, include frank descriptions of such world leaders as Stalin and shed new light on political and diplomatic history.

Others, from a young farmer and soldier to the small-town girl he would marry, portray something of life and love in an earlier generation.

Several contain what would "practically amount these days to secrets of state," according to Robert H. Ferrell, a Truman scholar who has been examining and collating the letters.

The most important discovery in the letters examined so far, Mr. Ferrell said, is proof that Truman wanted the Soviet Union to enter the war against Japan. In a letter dated July 18, 1945, written from Berlin at the time of the Potsdam Conference with the Stalin and Churchill, Truman assured his wife, "I've gotten what I came for — Stalin goes to war August 15th with no strings on it.... I'll say that we'll end the war a year sooner now, and think of the kids who won't be killed! That is the important thing."

In another letter, written in 1947 at the dawn of the Cold War, the president said he was afraid that Italy might go Communist in the elections and he feared the Russians might attack Western Europe.

"This may be the frankest and most important presidential correspondence of this century," Mr. Ferrell said. "It is also a wonderful 19th century love story talking to the 20th century."

Truman's letters from the Potsdam Conference, held near Berlin from July 17 to Aug. 2, 1945, indicate that his initial impression of Stalin was favorable. On July 29, in a letter saying that Stalin was coming to see him that morning, the president added: "I like Stalin. He is straightforward, knows what he wants and will compromise when he can't get it."

The Potsdam meeting, the last of the Big Three summit conferences, was the first attended by Truman and marked his diplomatic baptism by fire with his Soviet and British counterparts. It was called to clarify and implement agreements made at Yalta in February 1945, before the death of President Franklin D. Roosevelt.

On several occasions, the president refers to Stalin as "Uncle Joe," an appellation that Truman's political opponents would eventually use against him as the Potsdam agreements were consistently breeched during the gathering postwar chill.

But the letters to his wife during that conference indicate that, while the 33d president liked Stalin personally, he applied to the Soviet leader and to Churchill the same "give 'em hell" techniques that captivated his political friends at home and repelled his political enemies. "We had a tough meeting today. I reared up on my hind legs and told 'em where to get off and they got off," he wrote to his wife on July 28. Five days later he told her, "We have been going at it hammer and tongs in the last few days," adding that Stalin "seems to like it when I hit him with a hammer."

"Truman always said that his main purpose at Potsdam was to get Russia into the war," said Mr. Ferrell, a professor of history at Indiana University and author of several books about Truman, who died in 1972. "But a lot of historians say he was there to keep Russia out, because it looked like the U.S. could end the war itself. The day before the conference opened on July 17, the U.S. tested a plutonium bomb. So unless he lied to Bess, he really wanted the Russians in."

Most of the letters were found squirreled in a dozen or more locations in the Truman house in Independence, but they have been in the Truman Library for many months, according to Ben Zobrist, the library director. Last fall, after her mother's death at age 97, Margaret Truman Daniel, the owner and donor, signed the agreement giving the letters to the people of the United States. Mrs. Daniel said Sunday that she also gave the library "a few letters that I had in a desk."

"He had a rule of writing Bess every day when they were apart," Mr. Ferrell said. They were apart whenever Truman had to be away on official business, or, he said, whenever Mrs. Truman returned from Washington to her beloved Independence to care for her aged mother, who died in 1952, or merely to escape the goldfish bowl of life in the capital.

The letters reveal much about courtship in the early years of this century, a courtship whose progression is clearly marked by the increasingly familiar manner in which the future president addressed the young woman who was to become his wife. His letters begin "Dear Bessie" and are signed "Harry S Truman." Soon they begin "My Dear Bessie" and are signed "Harry S." Finally they begin "Dear Bess" and are signed "Harry."

In addition to shedding light on diplomatic and political history, the Truman letters are certain to throw additional light on the Truman personality and on the mores of the time. To the future president, farm life meant hard work and an existence that "as an everyday affair is not generally exciting." Yet he managed to retain a sense of humor even while recuperating from a broken leg, caused when a 400-pound (180-kilogram) calf brushed against him when he was setting fence posts. "I have the sincere satisfaction of knowing that he will some day grace a platter — perhaps my very own," he wrote to his intended.

The Associated Press

Harry and Bess Truman in Washington in 1952

The Truman letters reveal a blend of naiveté and obstinance, tenderness and toughness, plus a touch of the pedant. A voracious reader in his early years — he once boasted of having read many of the 2,000 books in the public library — he told Bess that he regarded Mark Twain as "my patron saint in literature," and said "I would rather read Mark Twain or John Kendrick Bangs than all the Shakespeare and Miltons in Christendom."

Another time he opined that if someone would invent a fork with a spring — "so you could press it and spear a biscuit at arm's length without having to reach over and incommode your neighbor — well he'd just simply be elected president, that's all." The early letters give no hint that Truman, busy tilling soil, sowing crops and feeding livestock, ever imagined that he would be elected president or that he would do anything but what he was doing. "I never expect to be rich," he wrote in 1911, "but if I can't make what I get myself without waiting for someone to leave it to me I hope somebody will knock me on the head and put me out of danger."

Europeans Looking For U.S. Flexibility In Arms Negotiations

By William Drozdiak
Washington Post Service

BONN — Behind the flurry of calls by European leaders last week for the United States to show new flexibility in arms control talks with the Soviet Union lies a simple desire to see President Ronald Reagan erase the word "explore" from the negotiator Paul H. Nitze's instructions and allow him to initiate proposals of his own.

A strong belief has emerged in European capitals since Chancellor Helmut Kohl's election victory

NEWS ANALYSIS

March 6 that deployment of at least some of the 572 Pershing-2 and cruise missiles scheduled for installation in five European countries will proceed on schedule starting in December.

The quest for some kind of compromise is now focused on achieving an arms accord that would limit medium-range nuclear missiles in Europe to the lowest possible level and perhaps keep the 108 Pershing missiles, which could strike Soviet territory within about 10 minutes, out of West Germany.

In that case, Bonn would probably accept an accelerated deployment of slower, less intimidating cruise missiles later this year along with Britain and Italy.

President Reagan's "zero solution," which offers to cancel the West's deployment plans if the Soviet Union dismantles its arsenal of more than 600 nuclear missiles aimed at Western Europe, is regarded as optimal but unattainable.

Senior West German officials insist that Washington must change its position quickly for an arms control agreement to be achieved this year. The Kohl government wants the United States to present new proposals rather than wait for Soviet concessions before the Geneva negotiating round adjourns March 28.

[Secretary of Defense Caspar W. Weinberger, speaking in a television interview Sunday, said the United States might consider an interim agreement on medium-range missiles if the Soviet Union agreed to continue negotiations on "the final stage," meaning the zero option proposal. "Our worry," he said, is "what is the inducement to the Soviets to come back to the table if they get an agreement that satisfies their needs and none of ours?"

[He said an interim accord could be acceptable "if the first paragraph was that immediately following the signing of this interim agreement we would reconvene to negotiate the final stage, which is zero."]

In Bonn, a top government official explained that "if we want to get an agreement by October or November before the missiles arrive, we need to move right now. There are so many complicating factors, like verification matters, which require months to sort out, that we need a new U.S. position very fast."

Part of the problem is feuding between the State Department and the Pentagon, but the crucial hindrance toward progress in the arms talks, they stressed unanimously, remained Mr. Nitze's rigid negotiating instructions that restrict him from advancing his own ideas and permit him only to "explore" Soviet proposals.

Officials in Bonn and other European capitals felt that Mr. Nitze's outline of a tentative pact, reached during his "walk in the woods" outside Geneva with his Soviet counterpart, Yuli A. Kvitsinsky, showed great promise before it was rejected in Moscow and Washington.

In the absence of a substantive shift by Washington, the West German government is formulating its own ideas about a possible compromise, including a detailed range of missiles considered equal for both sides, that might be reached through a series of interim stages.

Government experts said there was a strong conviction that the Russians would prove amenable to "working in stages or taking small steps" despite Moscow's rejection of the concept of partial arms control pacts.

West German officials say they believe that the deployment timetable and the Soviet dread of the Pershing missiles will serve as the two essential forces pushing Moscow toward compromise, provided that the United States meets the Russians halfway by offering a new proposal.

For that reason, they foresee the need to pursue deployment plans for the 108 Pershings scheduled to be implanted in West Germany.

Regardless of the nature of the missiles, deployment in West Germany this year is considered a political necessity to ensure that stationing plans are fulfilled in the four other West European countries scheduled to receive cruise missiles.

Wake Shooting Raises Alabama Race Tension

By Art Harris
Washington Post Service

MONTGOMERY, Alabama — Three weeks after her husband died, Annie Bell Taylor passed away, too. So relatives who had left Alabama long ago for assembly-line jobs up North drove 15 hours from Michigan and Ohio to bury the black family's matriarch.

She was laid to rest here on a cold, drizzly Sunday afternoon two weeks ago. Afterward friends and neighbors flocked to the Taylors' frame house on a dirt road outside town to pray and reminisce.

By morning, 11 of the mourners were in jail on charges of attempted murder, kidnapping and theft.

They were accused of trying to kill two white plainclothes police officers who burst into the house during the wake to question one of the Northern visitors after an incident outside. The officers were allegedly assaulted and one shot in what police describe as a savage attack by a mob, some in choir robes, acting like "wild animals."

Ten days after they were jailed, the 11 were freed on bail. A hearing has been set for March 22.

One officer, Leslie Brown, remains in intensive care. His partner, E.B. Spivey, received 75 stitches after "his throat was slashed" that night, said Police Chief Charles Swindall.

The charges are hotly disputed by local black leaders. They have banded together behind the out-of-state blacks, who include a Baptist deacon and the brother of the Olympic gold medal hurdler, Willie Davenport.

The incident has sparked a Justice Department investigation into charges that the blacks were beaten after being taken to jail. And it has inflamed long-simmering racial tensions in the cradle of the Confederacy.

"You can't deny creeping racial tension is coming back to our city," said Bob McKee, a white state representative from Montgomery. "But white people are afraid of demonstrations and riots. ... They see blacks getting political power out of proportion to their numbers, the Justice Department always coming in, affirmative action programs. Blacks have advantages whites don't have anymore."

Black leaders say such attitudes fuel a siege mentality in a city with a bellicose, pistol-packing mayor, Emory Folmar. Nicknamed "The Mayoratollah," he frequently has accompanied the police on raids. He pays daily visits to the hospitalized officer but declines comment on the incident.

"Just call our city 'Fort Montgomery' and the mayor our commander-in-chief," said a black city councilman, Joe Reed. "What you have here are two white police who saw cars with northern tags, thought [blacks] were doing something wrong, charged in and met their maker."

Police say the incident began when investigators hunting a missing woman saw a "black male prowling around" a parked car. A scuffle ensued, police say, and the man tried to grab the officer's gun, then ran.

Police fired at the suspect, chasing him into the house, where the officers were "beaten and tortured" by "black subjects ... acting in a manner of wild animals that had their prey on the ground," said Chief Swindall. Officer Brown was shot as he fled the house.

Lawyers for the blacks give this account:

One of the visitors, 21-year-old Christopher C. Taylor, was moving a car so an uncle could leave the wake. Two white men in street clothes were sitting in an unmarked car. One shouted, "Come here, nigger."

When Mr. Taylor approached, one man grabbed him and tried to force him into the car. He resisted and ran. The whites drew guns and fired, wounding him in the hand. He ran into the house and shouted, "Mama, daddy, some white men are shooting at me."

Seconds later, one white man kicked in the door with gun drawn. The mourners subdued him, disarmed him and then took away a second gun that he drew from a pocket. When the second white man burst in, someone hit him with a fireplace poker.

Then, the mourners telephoned the police twice, first to call for help and then to give the house's location. During one call, the whites said, "We are the police," the first time either inside or outside the house they had identified themselves as police officers. The mourners did not believe them and continued holding the two.

Police units arrived and a lieutenant used a bullhorn to order the occupants to come out. At that point, Officer Brown bolted through the door and was shot.

Police say the weapon was a service revolver and note that one is still missing. But a black city councilman, Donald Watkins, contends that the police themselves could have shot Mr. Brown accidentally as he emerged from the house.

L. Bobet, 58, Ex-Cyclist in France, Dies

Compiled by Our Staff From Dispatches

BIARRITZ, France — Louison Bobet, 58, a French cyclist who won the Tour de France race three times in a row, died Sunday night after a long illness, members of his family said.

French amateur champion in 1946, Mr. Bobet tried five times to win the Tour before succeeding in 1953, 1954 and 1955. He was world cycling champion in 1954. He retired from bicycle racing after being seriously injured in a plane crash in 1961 and later opened two hydro-therapy treatment centers.

■ *Other deaths:*

Alex Faulkner, 77, the London Daily Telegraph's chief correspondent in the United States for 35 years until his retirement in 1974, Saturday in London.

Jean Hytier, 84, professor emeritus of French at Columbia University and an authority on French literature, Friday of lymphoma at his home in New York.

Nick Civella, 70, the reputed head of the Kansas City, Missouri, crime "family," Saturday of complications caused by cancer.

Hindu Pilgrims Crushed

United Press International

NEW DELHI — Hundreds of Hindu pilgrims waiting for a sacred bath stormed the gates to a spring-water pool Monday in a stampede that killed 15 persons, the Press Trust of India reported. The incident occurred in Rajgir, Bihar state.

U.K. Budget Expected to Reflect Maneuvering for Likely Election

Compiled by Our Staff From Dispatches

LONDON — A vote-catching budget on Tuesday, revised at the last minute because of oil price uncertainties, was forecast by political analysts Monday, setting the scene for a general election later this year.

Many politicians believe the annual spring budget, the fifth presented by the Conservative government, will be the last before Prime Minister Margaret Thatcher seeks re-election.

Her five-year term in office ends in May 1984. But all the major political parties are preparing for an election this year, with October thought most likely.

Earlier forecasts of major tax cuts have been revised because of falling oil prices, which reduce government revenue from Britain's North Sea wells.

Most analysts now think the budget to be announced in Parliament by Sir Geoffrey Howe, the chancellor of the exchequer, will be cautious.

So far, the drop in the oil price has been offset by a simultaneous weakening on foreign exchange markets of sterling against the dollar, in which oil prices are calculated.

The analysts predicted the extra money Sir Geoffrey will pump back into the economy will be limited to no more than £2 billion ($3 billion).

Most of the stimulus is expected to cover increases in personal tax allowances and state welfare benefits rather than aid to British industry.

Sir Geoffrey is expected to increase by about 12 percent the threshold at which earners begin paying tax. This would put an extra £1 a week into the pockets of single taxpayers, and £1.55 for the married.

The uncertainties over oil have been highlighted by the presence in London for the past two weeks of ministers representing the Organization of Petroleum Exporting Countries.

Britain is not a member of the 13-nation group but has been watching closely its efforts to fix a lower price for OPEC oil.

OPEC is expected to cut $5 from the price of a barrel, bringing the price to $29. If matched by Britain, it would reduce government revenue from the North Sea by about $3 billion a year.

Despite pressure from the opposition Labor Party, the centrist alliance of the Social Democratic and Liberal parties, and from the "wets" within his own party, there is no sign that Sir Geoffrey will allocate funds for public works or similar direct assaults on Britain's record unemployment toll of 3.2 million.

He is expected to plan for a 1983-84 government spending deficit of £8 billion, as set out in a fiscal statement last fall, and a 1.5 percent to 2 percent growth in national output. The target for money supply growth in 1983-84 is expected to be 7 percent to 11 percent.

Pope, Scotsman Meet

The Associated Press

VATICAN CITY — Pope John Paul II met Monday with the Very Reverend John McIntyre, moderator of the General Assembly of the Presbyterian Church of Scotland.

Nimeiri Visits S. Korea

United Press International

SEOUL — President Gaafar Nimeiri of Sudan arrived here Monday on a four-day state visit aimed at strengthening relations with South Korea.

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KENYA

A SPECIAL REPORT

The Economy: Debt Is Major Problem

By Mary Anne Fitzgerald

NAIROBI — Less than three weeks after junior air force officers failed in an attempt to overthrow President Daniel Arap Moi's government, letters were sent to the heads of state of Kenya's leading Western donors asking for a massive injection of additional aid.

The letters, some signed by Mr. Moi himself and others by Finance Minister Arthur Magugu, stated that the government was expecting tourism revenues to decline and the overall balance of payments deficit for 1982 to be more than double the forecast figure because of the disturbances. To set the economy back on an even keel just over $300 million was needed, they said.

Extensive looting of Nairobi stores took place on on Aug. 1 while several millions of dollars might have left the country illegally. But what was worse, the uprising triggered the unveiling of an economy battered by deeply rooted economic imbalances.

"They used the coup as a justification for a lot of problems that have been going on for a long time," said one Western observer. These include tight import restrictions prompted by dangerously low foreign reserves, a steadily growing balance of payments deficit, aggravated by deteriorating terms of trade and a rising debt service ratio.

Foreign exchange levels, around $184 million at the end of October, have been averaging less than a month's import requirements. In August they were the lowest they have been for six years, but then their buying power was greater.

The balance of payments deficit is estimated at $364.9 million for last year thanks to static export earnings from coffee, tea, tourism and refined petroleum products and a debt service ratio now acknowledged to be higher than 20 percent.

As a result of a surge of aid-financed development projects implemented during the 70s where loans are now falling due, outstanding debt almost tripled from 1977 to 1981.

Even more telling, the ratio of total debt to gross domestic product has been rising steadily over the same period to 5.2 percent in 1981. This indicates Kenya will probably have to incur new debts to service old ones, placing it on the same treadmill that Jamaica experienced in the 70s and Zaire is experiencing now.

Kenya's economic problems began to emerge in 1980 after the effects of the 1977 and 1978 coffee boom had tailed off. The economy expanded rapidly in postindependence years with gross domestic product averaging an annual growth of 6 percent. When receipts for coffee and tea, Kenya's principle export commodities, doubled in 1977 it sprinted ahead even further with a gross domestic product growth of 7.3 percent. Then terms of trade slumped as global commodity prices dampened and oil prices continued to soar. Since then expansion has been blunted. Last year oil imports cost the equivalent of 57 percent of export earnings. Today, Kenya is no longer black Africa's capitalist showpiece.

In fact, in order to weather the recession Western donors have concluded Kenya needs anything from $315 to $360 million in budgetary support next year. Part of this will probably be provided by the donors themselves, primarily Britain and the United States. Britain has vested interests in the country that date back to colonial days. The United States' profile in Kenya is on the up since naval facilities at Mombasa and airfield access elsewhere in the country were granted for the Reagan administration's rapid redeployment force. And the World Bank has promised a third structural adjustment loan of $50 million.

The club of Kenya's Western aid donors met in London last November and again in Nairobi last month. Local sources said Kenya was seeking $270 million in additional grants. The outcome of the meetings has not been made public, but third-country officials say the Kenyans appear to have been disappointed, coming away with promises totalling anything from $92 million to $115 million.

Other funds may be sought on the commercial market, adding to 315 million Eurodollars negotiated in 1980 and 1981 and already drawn upon.

Kenya is relying on a good part of the balance to be provided by the IMF, which sent a team to negotiate terms at the beginning of December.

Terms were tentatively agreed and the IMF signed a confidential "letter of intent" at the end of December, under which the fund will provide 155 million SDR in standby credits. Only $105 million of that total will be transferred in 1983, however, and $70 million is already due back to the fund from Kenya, leaving only 35 million SDR for the year.

This time round Kenya will have little option but to agree to the fund's guidelines of devaluation, curbed government spending and a rationalization of the food crop marketing system. A standby facility of 151.5 million SDR negotiated toward the end of 1981 was put in abeyance in August for failure to comply with IMF dictates.

This was the second year running that IMF drawdowns have been suspended, damaging Kenya's reputation for responsible administration of its finances.

Camerapix/Nairobi

Lions at a game park at Amboseli. Kenya's game parks are a leading tourist attraction.

Tourism: Safaris, Big Game

NAIROBI — "There are no words that can tell the hidden spirit of the wilderness, that can reveal its mystery, its melancholy, and its charm," penned a ponderous but enchanted Theodore Roosevelt in his book, "African Game Trails." That nostalgic passage refers to one of the first commercial safaris in Kenya.

Mr. Roosevelt came to Kenya in 1909 on an expedition to collect natural history specimens for museums in the United States. Accompanied by two legendary professional hunters, Frederick Selous and Philip Percival, as well as some 600 porters, the former U.S. president spent several months in the bush satisfying scientific curiosity by bagging animals and sending their skins back home.

Roosevelt's caravan set off from the Norfolk Hotel, which today stands in downtown Nairobi and still is probably the finest lodging the city has to offer. Otherwise safaris and Kenyan tourism have changed a lot since those turn-of-the-century years when setting off on foot across the African plains meant taking your life into your hands.

Mr. Roosevelt and Edward, Prince of Wales, who went on a shooting safari about the same time, popularized the concept of paying to go hunting in Africa and told tales of shooting rhinos, elephants and lions at close range.

Farmers and ranchers were quick to see the potential and many did seasonal work taking wealthy sportsmen from the United States and Britain big game hunting. In the 1950s, the dilettante aspect of the sport faded and hunting blossomed into a commercial enterprise, the forerunner of today's tourist industry.

By the time Kenya gained independence from the United Kingdom in 1963, tourism was a fledgling economic sector, catering mainly to the rich and the super-rich. Then, there were fewer than 6,000 hotel beds in the country, compared to today's 25,000. But operators learned to cash in on the country's rich wildlife potential by selling tours of the game parks in Europe and in the United States. Tourist activity accelerated and bednights soared during the 1970s after the introduction of beach holidays along the turquoise shoreline of the Indian Ocean. In 1974, just under a million bednights were recorded at the coast hotels. By 1980, this number had more than doubled to over two million. Beach hotels, with their two-week package tours, which next year will cost around $1,200 from Europe, attracted large numbers of Germans and Italians.

On the other hand, game-viewing safaris, which at around $2,000 a round trip are an equally good bargain, have hovered around the 10-percent level of total bednights spent in Kenya for the past decade. Then in 1981, bed occupancy at the coast hotels not only stopped growing but actually declined slightly.

Simultaneously, the number of tourists in 1981 was only 352,000 — 17 percent short of the targeted figure and a slight drop on 1980 statistics.

Foreign exchange earnings looked as if they might plateau as well. The £100 million earned by tourism in 1981 was not a significant improvement on the £93 million the industry netted in 1980, although tourism still remains number three on the list of national foreign exchange earners after refined petroleum products and coffee.

Income growth for 1982 is expected to be under 3 percent. These statistics have given marketing managers in both the government and private sectors cause to sit back and assess what has gone wrong with an industry that in the past performed with magical reliability.

—MARY ANNE FITZGERALD

Foreign Policy Maintains Firm Alliance With West, Avoids Antagonizing East

By Roland Tyrrell

NAIROBI — When Leonid I. Brezhnev died, President Daniel Arap Moi personally ordered all Kenyan flags to be flown at half-mast. But when a U.S. aircraft carrier steams into Mombasa and 8,000 American servicemen swarm all over the city, there are no doubts where Kenya's true loyalties lie.

Since independence from Britain Kenya has successfully pursued a policy of firm alliance with the West, and especially the United States, without antagonizing the Eastern bloc. Staunchly anti-communist at home, in politics and the economy, Kenya is polite to the Soviet Union abroad. Kenya has also accepted offers of Chinese assistance in construction and rice cultivation.

Japheth Shamalla, permament secretary in the Kenyan Foreign Ministry, said in an interview: "I think to a large extent one has to trace this to our position of nonalignment. We feel free to speak our mind on issues. I don't think we have been unduly influenced to take up positions that we don't believe to be the right positions."

As an example, Mr. Shamalla cited Kenya's swift condemnation of the Israeli invasion of Lebanon at a time when Washington was lobbying hard to protect its Middle East client from isolation. He acknowledged that the United States had spelled out its keenness to shield Israel. "But we don't regard this as pressure," he said. "We regard this more as consultations. Pronouncements that have been made [by us] have been made from Kenya's standpoint."

Be that as it may, the ties that bind Kenya to the West are strong. Kenya received $103.1 million in aid from the United States this year. Of that total, $53 million was for development assistance and food aid, $33 million for military assistance, while $2 million covered Peace Corps activities. The remaining $15.1 million was an emergency infusion provided in response to an appeal to all traditional aid donors by the government to help Kenya recover from an attempted coup d'état on Aug. 1.

Relations with Britain remain close. Despite competition from the rest of the European Community and Japan, Britain is still Kenya's biggest trading partner and has provided $400 million in aid since independence. Under an agreement established in 1964, Britain also enjoys the right to station up to 600 soldiers at a time for short periods in Kenya for joint training and military exercises with the Kenyan Army. West Germany, another big aid donor, made $74.5 million available to Kenya this year, against $67.5 million last year.

Daniel Arap M[illegible]

But, as a non-American Western diplomat put it, "If the chips ever go down, it is the Americans who will be calling the shots around here." As part of the U.S. Rapid Deployment Force program, the two countries initialed an agreement in June 1980 giving the United States access to Mombasa harbor, two airports in the interior at Nairobi and Nanyuki and to airstrips further north at Eldoret.

Closer to home, Kenya finds itself surrounded by problematic neighbors, a troublesome situation that has not been eased over the past year by chairmanship of the Organization of African Unity. As OAU chairman, Kenya has had to contend with the problems of Chad, Western Sahara, Namibia and Somali-Ethiopian border clashes, quite apart from the arduous task of holding the OAU together.

Kenyan diplomats frankly acknowledge that they will be glad when they can get down to the job of sorting out relations with Tanzania, Uganda and Somalia without the OAU problems hanging over them. Foreign observers say relations with socialist Tanzania are clearly a high priority. Tanzania has kept its border with Kenya closed since 1977, pending what Dar es Salaam calls an equitable distribution of the assets of the former east African community.

Strained relations were [illegible] even further recently when Tanzania refused to hand over [illegible] self-styled leaders of the Aug. [illegible] coup attempt, who fled there for refuge.

Mr. Shamalla said, "We [illegible] talk of Tanzania, not so[illegible] Tanzania. We are not afraid of Tanzania simply because of its socialist tendencies. What I think is worrying us is the increasing tendency of those who disrupt law and order here to find refuge in Tanzania."

As for Uganda, Mr. Shamalla said, "There are problems which do spill over," referring to the influx of Ugandan refugees and the activities of anti-government Ugandan guerrilla organizations, which frequently operate out of Kenyan territory. "We would be happy with peace and tranquility in a neighboring country. As long as it remains as it is, we are very unhappy about it."

To the east, Somalia, with its territorial claims on Kenya's northeastern province, remains a bugbear. The two countries signed a cooperation agreement in August last year in what looked like the start of a new era of good neighborliness. But the Kenyans are unconvinced.

"We have noted feelers that the Somali authorities may be willing to move toward normalization of relations," Mr. Shamalla said. "That kind of feeler is no doubt most welcome, but we still regret that this has not been followed by more concrete steps to convince us that they are serious."

Mystery Still Surrounds Attempted Coup

NAIROBI — When President Daniel Arap Moi summoned the people to an impromptu rally in Nairobi's Uhuru Park last fall, more than seven weeks of tension had passed since rebel air force units staged an abortive coup d'état.

The wananchi, the people, given an unexpected afternoon off work, went in thousands, expecting announcement of dramatic measures. But nothing happened. Flanked by Vice President Mwai Kibaki and the army chief of staff, General Jackson Mulinge, Mr. Moi simply exhorted the people to work hard, be honest citizens and report troublemakers.

An official familiar with the president's daily routine said: "It's just not his style to lash out with dramatic gestures simply for the sake of it. He will let events take their course and wait until everything is clear before making his move."

While events since the coup attempt seem to be taking their time, those leading up to the 12-hour rebellion moved swiftly. The air force revolt followed Kenya's legal conversion to a one-party state by just under two months. It also came after a wide-ranging government crackdown on dissent and a wave of detentions without trial, which Mr. Moi warned would be "just the up of the iceberg."

Long held up as a model for black Africa of economic prosperity and democratic stability, Kenya had in fact been showing cracks in its makeup for some time with serious shortfalls in agricultural production, a chronic foreign exchange shortage and widespread corruption.

The first real sign that events were gathering speed came in May, when London press reports began circulating in Kenya that the rebel former vice president, Jaramogi Oginga Odinga, the acknowledged leader of Kenya's second biggest tribe, the Luo, was planning to set up a socialist opposition party.

Moving swiftly, Mr. Moi had Mr. Odinga and a leftist associate, George Anyona, a former member of Parliament, expelled from the ruling Kenya African National Union, KANU. On June 9, Parliament passed a bill making KANU the only legal party.

Mr. Anyona was later arrested, along with a former deputy director of national intelligence, Stephen Muriithi, and a prominent Nairobi lawyer representing the pair, John Khaminwa. Arrests of six university and college lecturers quickly followed.

Identifying the university as a seat of ideological opposition, Mr. Moi announced in June that he had uncovered a plot involving an unspecified neighboring country that entailed arming Kenya's students for insurrection.

Despite all the signs, the short-lived putsch appeared to catch the government, the army and most Kenyans if not by surprise, at least off balance. The big question on everyone's lips on Aug. 2 was: Who was behind the attempted coup? That remains the big question.

In the Tanzanian capital, Dar es Salaam, Senior Sergeant Pancras Oteyo Okumu told an extradition hearing that he was a member of the People's Redemption Council briefly proclaimed by the rebels. He said his fellow fugitive, Senior Private Hezekiah Ochuka, was the chairman. The two were not extradited.

In Kenya, meanwhile, there has been widespread speculation that the attempted coup, perhaps triggered prematurely and without sufficient preparation, involved senior personalities in the country's military, political and business communities, and not just disgruntled elements in the air force ranks. In testimony at continuing courts martial, a former cabinet minister, Masinde Muliro, a veteran of Kenya's fight for independence, Bildad Kaggia, and the detained Mr. Anyona have all been named as being destined for top government posts, had the coup attempt succeeded.

Other witnesses have alleged that certain members of the present cabinet, unnamed for reasons of national security, were plotting against Mr. Moi long before the attempted coup. Others have testified that the conspiracy was widespread throughout the air force and that the conspirators had the financial backing of certain unnamed civilians.

Although Mr. Moi at first said the coup attempt was a "serious act of hooliganism" staged by junior air force ranks, on Aug. 24 he declared that Kenya's troublemakers were the "big men."

Among other actions, he has ordered a full-scale purge of the police force and fired his police chief, Ben Gethi.

The former air-force commander, Major General P.M. Kariuki, has been sentenced to four years in prison on charges of failing to prevent and suppress a mutiny and a total of 11 Air Force members been sentenced to death as of March 10 for treason. About 900 others have so far received lesser sentences ranging from dismissal from the service to 25 years in prison.

Also fired was the former information minister, Peter Oloo-Aringo, a Luo tribesman thought to be too closely associated with Mr. Odinga.

At the same time, Mr. Moi disbanded the 2,000-man air force and announced the formation of a new force. In an effort to be seen fighting corruption, he announced on Oct. 5 the establishment of a committee to work out a national "code of conduct" for civil servants and others in authority.

—ROLAND TYRRELL

Press Remains Lively Despite Restraints

NAIROBI — The Kenyan press has lost much of its bite but still remains one of the liveliest on the continent.

Against a rising tide of government criticism, outright attacks on the press, the occasional detention and even jailing of journalists, the news business was healthy enough last June for a third daily paper, The Nairobi Times, to be born.

The government owns the Voice of Kenya television and radio and runs the official Kenya News Agency, which feeds items of government news to the privately owned and written press.

The Nairobi Times, whose editor, publisher, editorial writer and general factotum, Hilary Ng'weno, freely admits it is run on a shoestring, now claims a daily circulation of 15,000 to 20,000. Its older sister publication, the politically influential Weekly Review, runs to 25,000 to 30,000 copies a week.

The Daily Nation, owned and now tightly controlled by the Aga Khan, easily dominates the market with a circulation of about 100,000, while the Lonrho-owned Standard, the oldest paper in East Africa, comes in at 40,000 to 50,000 copies a day. The Daily Nation also has a Swahili-language companion, Taifa Leo (The Nation Today), with a daily readership of about 50,000.

The popular-appeal women's monthly, Viva Magazine, claims a circulation of 17,000 and rounds off Kenya's national readership, impressive by African standards.

The coastal weekly, Coastweek, has established itself firmly over the past five years with a solid readership among tourists, as it carries news in English, German and Swahili. And, with help from UNESCO, two rural vernacular papers have been launched, one in western Kenya and one in the coast region.

But although the market is good, Kenyan journalists complain that they are operating under political constraints approaching a climate of fear, a climate that has intensified since rebel air force units staged an abortive coup on Aug. 1.

"Freedom of the press is now a very delicate matter, mainly as a result of the events of Aug. 1," said Mr. Ng'weno, who, like his colleagues, has to walk a delicate tightrope every time he gets a sensitive piece of "hot news" that the government might not like published.

"We are free in that we don't have laws constraining what we do. There are no censors sitting in our offices. But the atmosphere we operate in does not lend itself to our full use of the opportunities that the law permits," Mr. Ng'weno said.

A similar feeling was voiced by another editor who declined to be identified for fear of putting his "neck on the block," as he put it.

"There is no communication with or guidance from the powers that be here," he said. "The result is that an editor agonizes over politically important news items, not knowing if he will get slammed for publishing. Sometimes it comes out of the blue."

That was the case in May last year, when Joe Rodrigues, then editor at the Daily Nation, and five of his journalists were picked up at the office by police and detained for 48 hours.

Their crime was to run an otherwise innocuous story that ineptly described an unsigned statement by the ruling Kenyan party, KANU, as "anonymous."

"Do there mean to say that I, too, am anonymous?" thundered President Daniel Arap Moi. He threatened to close the paper down for its impudence.

Possibly one of the most disturbing features of Kenya's press scene today is a climate of official indifference that implies that the whole press freedom issue is irrelevant. "There may be certain constraints on the press in Kenya, but they certainly do not emanate from the government as a matter of policy," a government spokesman said. "The government's stated policy is that of developing a free press void of manipulation although individualistic ambitions and opinions could easily find room in such a press."

A government insider said what that means in effect is that the Kenyan press is routinely manipulated by individual politicians who use their personal means and influence to further their own political ends.

—ROLAND TYRRELL

KENYA

Kenya Tea Rivals India, Sri Lanka Production

Smallholders Account for Decade of Expansion in International Markets

NAIROBI — It is generally recognized that one of Kenya's greatest success stories is its smallholder tea industry. Over the past 10 years Kenyan tea has emerged as a leader on the world market, rivaling the traditional tea-producing countries of India and Sri Lanka in price and popularity.

In 1978, Kenya overtook India, the world's largest producer, as a supplier to Britain, the world's largest buyer.

Today, tea is Kenya's number three export item, after refined petroleum products and coffee, and its fourth foreign-exchange earner after tourism. In 1981, tea earned $135 million.

Much of the credit for this meteoric rise can be laid at the door of the Kenya Tea Development Authority, a state-owned management and service organization that supervises the buying, processing and marketing of smallholder tea. This year Authority-run factories will produce 37.1 million kilograms (81.6 million pounds) of tea. By comparison, estates owned by companies such as Brooke Bond and George Williamson will produce 55 million kilograms.

At the London auction, considered the barometer of global tea prices, Kenya tea plucked by farmers who grow it outside their backdoor fetches 10 pence more a kilogram than plantation tea. This is because the Kenya Tea Development Authority is discerning about the product it buys, insisting on the quality plucking method of nipping off only the tender two top leaves of a bush and its bud.

As a result, Kenya's smallholder tea is nudging northern India's aristocratic Darjeeling tea for the top prices.

Kenya tea has been comparable to India's since the 1970s. One of its winning aspects is that it is of consistently good quality year round, making it sought after by buyers and blenders. "It's a tea with good body, point and flavor," said Alistair Wilson, a World Bank project officer for tea. "It stands out so that if a manufacturer is making a blend, you still taste the Kenya tea."

Point is a trade term that refers to the distinguishing characteristics of a particular variety. Kenya tea has a distinctively sharp taste and brews up quickly, two aspects favored by British tea drinkers.

Although Britain has been the traditional outlet for Kenya's teas, market tastes are shifting. Last year the United Kingdom, Ireland, the Netherlands and the United States drank nearly 10 percent less Kenya tea, while Pakistan consumed considerably more. Kenya cashes in on the political wrangles of Pakistan, its second largest export outlet, as Pakistan does not buy tea from neighboring India and Bangladesh.

What is particularly remarkable about Kenya's performance is that it is a relatively new arrival on the scene. The industry was pioneered at the beginning of the century by British settlers who had dreams of imitating India's rising tea fortunes, but it did not really flourish until after independence in 1963 when the Kenya Tea Development Authority was established.

The Authority encouraged African farmers to plant bushes on their tiny plots — the average size is 0.39 hectares (0.96 acres) — as a supplementary income to vegetables and dairy cattle. Today there are 54,700 hectares of shiny, green smallholder tea spread over hilly slopes in western and central Kenya. This is roughly twice the area that is planted by foreign-owned estates.

Kenyan tea bushes are youngsters by Asian standards, where many bushes are over 200 years old. Over half the tea plucked by African farmers is under 10 years old, the time at which the plants reach optimum production level. Officials estimate the bushes could increase their yields by 40 percent in 10 years' time.

But Kenya tea has more than youth on its side. It is in Kenya that the concept of clonal tea was pioneered, enabling tea to be grown from cuttings. The older bushes in India and Sri Lanka were pollinated by bees, a risky system of random parentage. By use of the clonal method, the parentage of bushes can be predetermined. It is possible to choose the type of tea that will best suit the soil in which it is planted.

These improved varieties lead, of course, to better yields. As a result Kenya tea has progressed by leaps and bounds, making Asian competitors distinctly nervous. Many buyers consider it to be the best tea in the world.

The Kenya Tea Development Authority judges success by a different standard, however. "We measure it in our ability to pay as much money as possible to the grower," said a Tea Authority official. If that is the case, satisfaction must abound. A total of 143,000 African farmers were paid 418,743 million shillings in the last financial year for their crop, a 15 percent increase over payments for the previous year. In a country where the average per capita income is $420, that is good money.

Tea is an ideal smallholder crop. It is relatively disease-free and easy to grow. Once bushes have matured some three years after planting they provide a steady income for growers, who are attracted by the constant payments. Ideally tea is plucked weekly and delivered immediately to factories managed and partly owned by the Kenya Tea Development Authority. Growers are paid on the spot. A second payment in October is calculated on the factory profit according to the volume of leaf each person has contributed. Some farmers receive as much as 50,000 shillings for their second payment.

Tea, therefore, has opened up an improved lifestyle for thousands of people who once only scratched a subsistence living from the soil. Farmers who used to trudge on foot can afford to buy pickups and give their children the secondary and university education they were denied. Because the benefits are obvious and widespread, filtering down to the man in the field, the smallholder tea industry has sunk deep roots in the Kenyan countryside.

The farmers demonstrate a responsibility toward tea that is often lacking in the case of other crops. They learn new methods of husbandry from tea authority extension workers and keep a watchful eye on yields and cash flow.

The World Bank, too, is an enthusiast of the smallholder tea program. It is a major donor towards smallholder expansion, contributing a sizable portion of the $36 million of aid money that has been injected into the industry over the years. Other lenders are Britain, West Germany and the Organization of Petroleum Exporting Countries.

Kenyans have been told by World Bank officials that the export of commodities and manufactured goods based on local raw materials is the key to economic survival. Tea has proved to be a shining exponent of this theory. "This is one of the greatest success stories in the world," Mr. Wilson said.

—MARY ANNE FITZGERALD

Oil Search Continues But Prospects Are Poor

Special to the IHT

NAIROBI — Kenya has neither large proven mineral deposits nor oil. Nevertheless, government officials in the Ministry of Energy are packaging new exploration and development guidelines.

For the last three years, Kenya Cities Service Inc. has been operating an on-and-offshore exploration consortium in partnership with Union oil and Marathon Petroleum. The company sunk a deepwater well at the end of last year about 12 miles offshore but it turned out to be dry.

CONTRIBUTORS

Mary Anne Fitzgerald, Roland Tyrrell and Charles Harrison are journalists based in Nairobi.

Camerapix/Nairobi

Tea is harvested in the highlands of western Kenya. Tea production is a recent agricultural success story in Kenya.

Agriculture Costs Race Ahead of Income

By Charles Harrison

NYERI, Kenya — John Kamau, 28, looks at his eight-acre farm near Nyeri, central Kenya, and talks with pride of a 20 percent boost in earnings last year from maize, milk and tea. By local standards, his cash earnings of around $200 a month are good, and the farm also provides most of the food needs for Mr. Kamau, his wife and their three children.

But like farmers everywhere, Mr. Kamau has his problems. This is a good area for rainfall, and he is more fortunate than many other Kenyan farmers who experience frequent droughts on land far less fertile than Mr. Kamau's. He complains nevertheless of uncertainty about the marketing of his maize crop, because the state-controlled National Cereals and Produce Board lacks the cash and the storage space to buy this year's bumper crop.

Farm output in Kenya rose by 6.2 percent in 1981, thanks to better rainfall and increased effort by farmers responding to higher prices for food crops and livestock products.

Agriculture contributed around $1.8 billion to Kenya's gross domestic product in 1981. 15.9 percent above 1980. This was the first significant increase in agricultural output, in cash terms, for five years, and higher producer prices in 1982 have boosted the figure even higher.

Farmers like Mr. Kamau, however, say they have to carry the increasing cost of farm spending, from fertilizer to farm implements and fuel for farm machinery, all of which have risen sharply, particularly since the 20 percent devaluation of the Kenyan shilling in 1981 and another 15 percent devaluation last December.

The overall cost of farm spending is estimated to have risen by 15.1 percent in the last year, while overall prices for farm output rose by only 6.5 percent, according to official figures.

Clearly, Mr. Kamau is one of the lucky ones. His acre of tea has only recently come into full bearing, and is bringing him a steady income after five years of losses. But more efficient and reliable marketing arrangements are needed to bring the bulk of Kenya's small farmers fully into the modern economic system. Too many of them use their land primarily to feed their own families, and they will only be encouraged to develop its economic potential when they see the cash value of producing regular surplus crops for sale.

A longtime Kenyan farmer said: "Farmers are easily discouraged if they are paid uneconomic prices for their crops, or if the marketing system gets snarled up. But small-scale farming is always a risky business. The government won't increase food prices enough to give the farmer an attractive return, because it fears the effects of a rise in living costs. So the small farmer doesn't get the incentive he needs to play a bigger part in the country's cash economy."

Agricultural credit is a perennial source of complaint from Kenyan farmers. Official figures show that farm credits of all kinds fell from $68 million in 1977-1978 to $40 million in 1980-1981. In terms of Kenya shillings, the decline was substantially less, because of the 1981 devaluation, but it still represented a 20 percent decrease.

The accessibility of credit varies. Farmers who are fortunate enough to be accepted for the Kenya Tea Development Authority's smallholder tea project, backed by finance from the World Bank and the Commonwealth Development Corporation, do well in return for accepting strict supervision of their farms and their bank balances. But loan conditions for all farmers these days are extremely tight, as too much cash has failed to come back from past loans.

The agricultural "mix" in Kenya is impressive, but coffee, tea, pyrethrum and sisal are exclusively geared to the export market and so are dependent on world prices. Cotton and sugar are other potentially important export crops, but they at least have a strong local market base.

Import Restrictions, Tight Credit Hinder Expansion of Industrialization

NAIROBI — With no significant natural resources and a small domestic market, Kenya does not seem an obvious choice for industrialization.

Yet for the past 10 years manufacturing has been given emphasis and encouragement by government planners.

Industrialists are gloomy these days. Once billed by observers as Africa's leading example of how to create something out of nothing very much, Kenya's manufacturing sector is now feeling the effects of each setback encountered by the national economy.

For some time the purchasing power of foreign exchange reserves has been counted in days and weeks, not months. As a result, industries have been afflicted by stringent import restrictions on raw materials and semifinished products, tight credit, the withdrawal of a major export incentive and arbitrary guidelines for the remittance of royalties, technical and management fees and debt repayments. The litany of petitions to government tends to be delivered on a random and not always effective basis as, with the exception of the Kenya Association of Manufacturers, no formal lobby for industry exists.

These poor lines of communication have given rise to misunderstandings between the public and private sector. One foreign businessman said: "The credibility problem in this country is going to hurt it quite a bit. Nobody believes anybody anymore."

For its part, the government is addressing itself to the dilemma of how to boost manufacturing without capital. Kenya has been poised to take off as a trading nation since 1980 when the World Bank suggested that exports were the key to sustained growth.

The plan was to stimulate domestic manufacturing through the withdrawal of import and other restrictions and initially to protect producers through higher tariffs on competing imported goods. The measures were devised to make Kenyan goods competitive on the world market. However, the program has been derailed by a combination of global recession and fluctuations in domestic policy that have undermined manufacturers' confidence.

A government planner commented: "We are going ahead with the rationalization of tariff structures and opening up quantitative import license restrictions. But the problem is, we need a substantial increase of foreign exchange before we can implement this properly."

As far as investors are concerned, that is not the only problem. They were particularly miffed when the export compensation program, the only major incentive for exporters, was summarily abolished in last June's national budget. The withdrawal was made retroactive, leaving about $30 million in outstanding rebates unpaid.

Then on Sept. 21, seven weeks after the unsuccessful coup attempt, President Daniel Arap Moi delivered his first major economic policy speech, which presented a package of corrective measures. The export compensation program was reintroduced, modified from a 20 percent to a 10 percent rebate. However, exporters who increase their performance over the previous year and manufacturers who enter the export market for the first time qualify for a 25 percent rebate.

Mr. Moi also alluded to amended legislation on the repatriation of profits and capital for foreign investors. He did not elaborate further but privately government officials have indicated that they are considering introducing tax holidays for new investors.

This policy statement seemed to pass the onus of revitalizing the slumping manufacturing sector back to industrialists. However, many companies still face difficulties, particularly with import requirements. Some manufacturers who last were granted licenses to import raw materials a year ago are now getting back their exchange control applications stamped with a request to reapply in April 1983. Other manufacturers are receiving import requirements on an ad hoc basis but never in sufficient quantity.

—MARY ANNE FITZGERALD

ARTS / LEISURE

Milan and Urban Dressiness

By Hebe Dorsey
International Herald Tribune

MILAN — Despite a slight lull in Milan's fashions, there was a strong story here — the designers' breakaway from strictly deluxe sportswear to a big city, dressy look. The cue no doubt came from Paris, but the Italians have been prompt in picking it up.

This may be the biggest bond between Milan and Paris, where collections start unfolding next Thursday. It is not that the Italians, who know how to deliver immediate, instant fashion, are dropping what they do best: their first-class separates. But their different approach has opened new vistas, mainly in evening wear, of which there was a lot more than usual. An unknown quantity in Italy so far, evening wear is beginning to be taken seriously, even if the tone is more disco than drop-dead.

The most felicitous result is the end of the aggressive, booted and bundled-up military look, which had women looking as if they were on their way to guerrilla warfare. Instead, Milan is now more feminine, with ultra-genteel, sexily belted black-and-white dresses and tuxedos, smothered in satin and fur. Evening jumpsuits were solid sequins or gold lamé. Gray flannel pants with sweater and coat, a combination that is turning out to be the classic of the season, is a far cry from the khaki and fatigues of a few seasons back. This look, by the way, has been quietly worn all along by Jacqueline Onassis.

The long man's coat, a strong trend started by Yves Saint Laurent in his last couture collection, was everywhere. Luciano Soprani had an attractive, sober version. Claude Montana, for Complice, delivered a dressy one, with skirted tuxedo. But it was also much more relaxed off the runway, notably on the pretty French model Inès de la Fressange, who was in Milan last week for the shows. Worn with jeans, her coat came from Hermès.

This return of the coat is an interesting new direction. "It's about time," said one observer. "Furs were getting too expensive — and some women are afraid of wearing them in big cities nowadays." In what amounts to a fashion backlash, cloth coats now look desirable again, and somehow more chic, less show-off than furs, which in many cases have been overexposed.

Accessories in the Italian collections were several notches more sophisticated than usual. There were lots of hats, including spectacular sombreros. High heels and pretty shoes were more frequent than sporty low heels. Some of the strongest jewelry was the black-and-white Art Deco items at Versace's. Krizia also had interesting silver ornaments, while Lagerfeld showed necklaces that looked like chunks of coal with Fendi's extravagant furs. Missoni is now also showing multicolored, gold and enameled jewelry, matching their multicolored knits.

Other prominent trends in Milan included a new shade of metallic gray, which came out in the darkest flannel as well as in the pewter ornaments used with Krizia's clothes. The most advanced technology was to be found at Gianni Versace, who is now using a revolutionary new Japanese fabric that can be put together with a laser beam, instead of needle and thread. "It's rubber, but looks like suede or leather," said Versace, who first introduced the rubber composite a couple of months ago in his menswear. "It's much cheaper because it cuts down on labor costs."

Business-wise, these designers seem to be doing all right, since they are all opening new boutiques. Ferre is opening his second in Milan; his first will be turned over to accessories. Gucci, whose stores already take almost a block of the Via Monte Napoleone, was supposed to open a new and still more ambitious boutique higher up on that street. It was to have been a big affair, with the whole street closed and turned into a huge runway, but it had to be delayed for construction reasons, because they found a 17th-century wall. Gucci is also opening a bigger three-story store in Paris in June at the corner of the Rue du Faubourg Saint-Honoré and Rue Royale.

Mrs. Amintore Fanfani, the wife of the Italian prime minister, was in Milan to buy her wardrobe for a forthcoming trip to the United States. At Mila Schon's, an long-time friend, she bought 15 outfits, including a silver and pink gown to wear at the White House. Mrs. Fanfani, a remarkable photographer, has a new book out, titled "Children of the World," which she said is the result of 20 years of world travel.

Like Paris, Milan is also going to have a fashion museum, organized by Krizia's designer, Mariuccia Mandelli. Fashion, always taken seriously by Italian businessmen, is now being courted by the official authorities. A dinner given by the mayor of Milan and some 30 fashion houses was one of the most spectacular events in Milan last week. It was put together by Beppe Modenese and decorated by the talented decorator Piero Pinto. It had buffets that looked like giant 17th-century paintings, with tables covered in silver and brocade cloth and laden with old musical instruments and giant candelabra.

Joe Dorsey

Inès de la Fressange wears a cloth coat by Hermès.

Joe Dorsey

The big city look as shown in Milan.

Adolphe Sax and His 'Ignoble' Phone

By Henry Pleasants
International Herald Tribune

LONDON — Recalling his teenage tribulations as cinema organist in Canada, Gerald Moore, the distinguished English vocal accompanist, in his memoir, "Am I Too Loud?" said of that instrument:

"It shares pride of place for sheer horror with the saxophone, the harmonica and the concertina. They are all incapable of producing other than ignoble sounds."

An assertion, certainly, calculated to raise the hackles of many who find the sounds made by these instruments, when well played, beautiful, even enchanting. One wonders, indeed, whether Moore had heard the harmonica played by Larry Adler or the saxophone played by Coleman Hawkins, Sidney Bechet, Johnny Hodges, Ben Webster, Lester Young or Stan Getz.

Still, Moore, on the saxophone, was mild compared with the London Daily News in 1927, long before any of those artists, with the exception of Bechet, had been heard in England:

"The saxophone is a long metal instrument bent at both ends. It is alleged to be musical. The creature has a series of tiny taps stuck upon it, apparently at random. These taps are very sensitive; when touched they cause the instrument to utter miserable sounds, suggesting untold agony. At either end there is a hole. People, sometimes for no reason at all, blow down the small end of the saxophone, which then shrieks and moans as if attacked by a million imps of torture. The shrieks issue from the large end. So do the moans."

Well, the cinema organ, the harmonica and the saxophone have all survived the abuse. But despite their popularity — or possibly because of it — they have never quite achieved respectability, and most curiously in the case of the saxophone, the most popular and ubiquitous of the three.

It has long been indispensable in military, concert and jazz bands and in many types of jazz groups. But it is still ostracized — with some notable but rare exceptions — by "serious" composers, despite the enthusiastic patronage, nearly 150 years ago, of no less a master of the symphony orchestra than Hector Berlioz.

It was Berlioz, quite by accident — and the eloquent phrasing of Young's tenor behind Billie Holiday — who put Jim Hol, an English free-lance typographer, and not a musician, on the research trail that has led to a small pamphlet, a mere 12 pages, titled "Some Saxophone History — Its Origin and Early Use," neatly summarized by an English reviewer in two words: sax discrimination.

Jim Hol was reading the David Cairns's translation of "The Memoirs of Hector Berlioz," under the erroneous impression that Berlioz was a French novelist, when he came upon this passage, dated 1843:

"Adolphe Sax is now making rotary-valve trumpets [sic], large and small, in all possible keys, familiar and unfamiliar, instruments whose excellent tone-quality and finished workmanship are indisputable. It is scarcely to be believed that this gifted young artist should be finding it difficult to maintain his position and make a career in Paris. The persecutions he suffers are worthy of the Middle Ages and recall the antics of the enemies of Benvenuto, the Florentine sculptor.

"They lure away his workmen, steal his designs, accuse him of insanity, and bring legal proceedings against him. You feel that with a little more dash they would assassinate him. Such is the hatred inventors inspire in rivals who are incapable of inventing anything themselves."

Berlioz may have erred. Hol quotes Wally Horwood, Sax's English biographer, to the effect that there were, in fact, at least three serious attempts on Sax's life, one of them fatal, if not to Sax. Through what was apparently a case of mistaken identity, one of his most loyal employees was stabbed through the heart.

The animosity was aroused, of course, not because the sound of Sax's instruments was so awful, but because so many found it so good. The fact that, as a Belgian (born in Dinant in 1814, son of a celebrated instrument maker), he was considered an interloper may also have had something to do with it.

To return to Berlioz, he came back to the subject of Sax three years later, and went out on a limb — too weak, as it turned out — predicting: "The saxophone, the latest member of the clarinet family, an instrument which will prove extremely useful when players have learned to exploit its qualities, should be given its own separate position in the curriculum, for before long every composer will want to use it."

Many, including Berlioz, have done so, most notably and effectively Ravel in his orchestration of Mussorgsky's "Pictures at an Exhibition," but only minimally, and ways for the achievement of a special, usually exotic, effect. Its employment almost always calls for the engagement of an outsider, a free-lance saxophonist. And that is one of the reasons offered by Hol for the reluctance of "serious" composers to include the saxophone in their instrumentation. Symphony orchestra reed players can't, don't or won't play it.

Jim Hol was fascinated not only by what Berlioz had to say about Sax's instruments and his travails, but also by the one-syllable name. His own name is properly Holloway, shortened to Hol before he ever came upon Sax, a name seeming to invite picturesque suffixes, as in saxophone, a forerunner of the saxophone patented in France in 1845.

"Sax," says Hol, "evidently knew he had a fine name for an inventor, and wanted to make the most of it. But today the name of his most famous invention is so familiar that its creator's identity is somehow lost. . . . Even the common abbreviation, 'sax,' which is just the man's name, after all, is rich with connotations of sex and jazz and blacks that its mid-19th century Belgian owner seems out of place."

The use of the suffix "-phone" for the naming of a wind instrument was, Hol tells us, like the instrument itself, an innovation by Sax. Others followed him: the inventors of the sommaphone, the sarrusophone, the saxophone, the heckelphone and the albisiphone. But to most people, perhaps, the names of only Sax's and Sousa's -phones are familiar, due to their use in popular music and jazz.

"I've looked into this inventor-phone business quite extensively, but for reasons of space have had to edit out a long, interesting and irrelevant discussion of the herculesophone, cornophone, holtonphone, antoniophone, sonorophone and many others. These are all wind instruments. The percussive -phones are not, of course, the inventions of persons named Xyl, Vibra, Tubu, etc."

(Jim Hol's monograph is privately published. Further information may be obtained from him at 46 Denbigh Street, London SW1.)

Brian Friel's Plays and the Abbey

By Elgy Gillespie
International Herald Tribune

DUBLIN — With one in seven out of work in Ireland and more than 80 percent unemployment among Irish actors and actresses, there is little to celebrate in Dublin this St. Patrick's Day. Current drink prices threaten to wither the shamrock with drought.

But Joe Dowling, director of the Abbey Theatre, ignoring all this, has chosen this Thursday as the first night for his new production of Brian Friel's "Translations," large cast and all.

Dowling has already been responsible for producing a raft of plays by Friel, a longstanding friend and collaborator, who is to receive an honorary doctorate from the National University of Ireland March 24.

Two years ago, Dowling directed "Translations" in New York for the Manhattan Theater Club, and he went up to Londonderry last fall on leave from his Abbey Theatre auditorium to rehearse the Donegal playwright's latest play, "The Communication Cord," in the city's Gothic Guildhall.

Dowling was a natural choice to direct the no-holds-barred farce that, like "Translations," Friel wrote for his own Londonderry-based Field Day Theatre Company. "The Communication Cord" is played for sheer laughs, with mistaken identities and unending muddles, but it also reveals Friel's intent to say something about the difficulty of communication.

The plot involves Timmy Gallagher, a junior lecturer without tenure who is doing a thesis on communications and discovers (in the next-to-last line) that "maybe silence is the perfect discourse." Gallagher also finds that he loathes the cottage he is pretending to love, worship and honor as the cradle of his cultural identity — "the source, true center and first cathedral," as he calls this spurious relic of Irishness, complete with restored cowbarn.

This new farce is the obverse side of "Translations," in which the peasant society of the 19th century watched its own nature being stolen away forever in the name of a spurious Englishness.

Young, committed and energetic, Dowling wants to have the entire Friel corpus in the Abbey repertoire. Since "Translations" is very different kind of theater from "Communication Cord," naturalistic and poignant in detail, he had hoped to put both plays on together at the Abbey, to cast fresh light on the earlier play.

He was thwarted, for the time being, because the rights to the more recent farce are retained by the Field Day company. But last year he was able to revive a very early, money-spinning Friel, "Philadelphia Here I Come."

Dowling says he wants to avoid the sort of "reverence" that "Translations" received abroad, to rethink the play and dissolve some of the mistaken political assumptions that venerating critics, particularly those who came to praise the London National Theatre production, swore they found in it. He is lucky in having John Kavanagh in Dublin as the British officer, Yolland. Kavanagh was one of the three actors who made Dowling's production of another Friel play, "Faith Healer," so important an event here two years ago.

Friel, a mild-mannered former school teacher, picks his words with great care when he is questioned on how the insights of living and working as a member of Northern Ireland's Catholic minority are distilled into his work. "I'd love to be preachy, but I'm just not sure what the sermon is," he says.

He has, however, discussed the contradiction of a sense of "exile" — and the alertness, eagerness and kind of hunger that brings — with the aspiration to a home in a wholler Irishness, a larger Ireland.

When Trevor Nunn of the Royal Shakespeare Company visited Dublin, he said that because English and Irish people spoke the same language they didn't necessarily mean the same things. Much of what Friel writes is not only about that, but the proof of it — and it may be why, "Translations" aside, he is rarely successful in London.

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BUSINESS/FINANCE

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COMMODITIES

By H.J. MAIDENBERG

Chicago Board's New Options Based on 100 'Market Movers'

NEW YORK — The stock-index market has entered a new phase with the Chicago Board Options Exchange's introduction of the first options that are not based on any of the existing popular share averages. In addition, they are not predicated on any underlying futures contracts.

Rather, the new "CBOE 100 options" are based on 100 blue-chip shares traded on the nation's largest stock options market, and they will be settled in cash when the options expire. But the options are traded the same way as those on stock indexes, gold bullion, Treasury bonds and sugar.

Options are the right, but not the obligation, to buy (call) or sell (put) goods, in this case stocks, at a specified price within a fixed period. The prices of these calls and puts are determined in the open market and depend on the value of the underlying stocks, the remaining life of the option and the prospects for the basket of shares to rise or fall, among other factors.

Basically, index options are a means of hedging or speculating on whether the stock market is going to rise or fall, rather than on the fortunes of any particular stock. By comparison, those who want to insure against the adverse price moves of a particular stock may buy stock options.

The CBOE 100 will be much less expensive to trade because it is a fifth the size of the S&P 500 option.

If Friday's first-day volume in the CBOE 100 was any indication, many stock traders want to invest in the general trend of the market and think the option is the proper vehicle. The volume was 4,575, which was more than the combined opening-day turnover of the Value Line options (2), Standard & Poor's 500 options (1,805) and the New York Stock Exchange composite average options (1,929).

"The volume would have been greater if several major brokerage houses had been ready," a Chicago Board Options official said after the close. "They told us they hadn't had time to prepare disclosure statements that by law they must give their customers before allowing them to trade."

As it was, the opening-day volume found more bulls than bears. Of the total, 2,624 were calls and 1,951 were puts.

Three Basic Advantages

John M. Blin, partner in Shatkin Investing of Chicago and a specialist in futures and options trading strategies, said the CBOE 100 had three basic advantages over the other index options:

"For one, the CBOE 100 options are not anchored to index futures because they will be settled in cash. Many hedgers and speculators do not want to get involved with futures.

"Secondly, there are five times as many brokerage house securities account executives than there are commodity futures and options brokers, roughly 100,000 to 25,000. This means there will be 100,000 registered representatives of brokerage houses who will be able for the first time to handle index options, mostly CBOE 100 options."

This, Mr. Blin explained, is because the CBOE 100 was authorized by the Securities and Exchange Commission, not the Commodity Futures Trading Commission. The Value Line, S&P 500 and Big Board composite index options were approved by the CFTC.

The third advantage he cited was cost. The CBOE 100 will be much less expensive to trade because it is, for example, a fifth the size of the S&P 500 option and serves the same purpose for hedgers and speculators. The Value Line index upon which its option is based contains 1,700 issues, most of them Big Board issues, with the rest picked from the American Stock Exchange and over-the-counter market. The Big Board's composite index consists of about 1,500 stocks.

"Still," Mr. Blin said, "the CBOE 100 tracks the market as well as the other index options because, despite its small size, the CBOE 100 consists of almost all the market movers."

Index-Moving Force

Stocks in the new options include IBM, AT&T and Exxon, which alone account for 15 percent of the value of the 30-stock Dow Jones industrial average. The three stocks provide a lesser, but still potent, index-moving force in the broader index options.

Anticipating that "home-made" index options will be successful, the American Stock Exchange was to file file Monday a 20-stock "Major Market Index" with the SEC.

Nathan Most, the exchange vice president in charge of new products, said his proposed index options would contain the bluest of the blue chips of any index and would be even more economical to trade than the CBOE 100 because it would be one-fifth the size and track the overall stock market closely. If approved, the Amex will start trading its index option April 22.

The New York Times

Prices Off For 3d Day On NYSE

Compiled by Our Staff From Dispatches

NEW YORK — Prices on the New York Stock Exchange closed lower for the third straight session Monday, despite improvement in the world oil situation, as the market continued its correction.

An oil production and pricing agreement by OPEC members helped the market recover somewhat in late afternoon, but profit-taking removed some of the improvement.

The Dow Jones industrial average ended off 3.29 points at 1,114.45. The index had been as low as 1,109.23 early in the day.

Declines led advances about 2 to 1, an improvement from earlier levels. Volume slowed to 61.6 million shares from Friday's 67.1 million.

The Dow average recovered almost to Friday's closing level of 1,117.74 after OPEC agreed to cut its benchmark price to $29 a barrel and set production at 17.5 million barrels a day.

"The buyers came right in where they were supposed to. It was just like a Hollywood movie," said Alfred Goldman, an analyst with A.G. Edwards in St. Louis.

But analysts said the recovery was short-lived because many doubted that OPEC could maintain the agreement in the open market.

Analysts differed on whether last week, one of the worst performances for stocks so far this year, was the beginning of a long-awaited correction.

A correction is a variation within a long-term trend. If the market corrects, or adjusts, stocks will lose perhaps 10 percent of their value, then resume their march upward.

"I think the basic trend is up," said Robert Stovall of Dean Witter Reynolds, who is among those who believe a correction is under way. "We're just squeezing some of the excess from the sharp runup."

Mr. Stovall, who has been anticipating a correction for more than a month, said a hard-eyed look at the prospects for economic recovery has prompted the downturn.

The most recent runup in stock prices, that ended with five record-breaking days in a row earlier this month, was based on "enthusiasm generated by prospects for disinflation, lower interest rates and vigorous economic growth," he said. "The market loves that mix."

But, he said, "beginning last week the market began to sober up and realize the recovery is not taking off full speed ahead, and that interest rates may start up anyway."

The New York Times

A Rabbit moves along assembly line at Volkswagen of America's plant in Pennsylvania.

VW, Pressed by Japanese, Seeks a Niche in U.S. Market

By John Holusha
New York Times Service

DETROIT — Noel Phillips, the president of Volkswagen of America, knows the fundamental problem facing his company: Rabbits cost more than Toyotas, Nissans, Hondas and Mazdas.

So Volkswagen, with up to now only limited success, is pushing quality over thrift, and looking for a niche in a U.S. market where it once had a cavern.

"The strategy is that we can't get into a price war with our Japanese competitors or our domestic competitors," Mr. Phillips said. "We don't have the wherewithal to do that. So we have to find market opportunities which are not so much price oriented, but are oriented toward a product that meets a need."

And if convincing buyers who have long thought that Volkswagens cost next to nothing is not hard enough, the company is running into problems making its high-cost, high-technology models in the United States. Labor problems at its Westmoreland, Pennsylvania, plant have led to a lawsuit by black employees charging discrimination in pay and promotions.

Mr. Phillips, who last year replaced James W. McClernon, was brought in to solve problems and turn the sagging Volkswagen unit around. Tensions at the Westmoreland plant were already high, because of the sales slump that has eliminated a shift and 1,500 workers.

The five-year-old plant has been beset by inefficiencies from the beginning, experts have noted. The body shop is not automated, and body panels for the Rabbits produced there must be shipped in from out of state.

And even though workers just ratified a three-year contract freezing wages, those wages remain $8 an hour higher than in Japan.

All this is jarring for the company that made the legendary Beetle, the first foreign economy car to successfully invade the U.S. market, thus paving the way for the Japanese. Volkswagen saw its Beetle become the lightweight, low-price, fuel-saving alternative to the big gas guzzlers that once dominated Detroit's lineup.

Volkswagens are still light and fuel-efficient, but they are not cheap, particularly when compared with imports from Japan. A base model of the Rabbit, which replaced the Beetle, sells for $6,290. In contrast, Toyota and Nissan have price-leader models costing less than $5,000.

Volkswagen also sells the Jetta, for about $10,000, and the highly regarded Quantum, at about $11,500. But the Rabbit is the model meant to appeal to most Americans, and the quality of the Japanese cars competing with the Rabbit, and the buying public's decreased emphasis on fuel economy, has cut deeply into Volkswagen's share of the U.S. market.

Volkswagen salesmen argue that Rabbits, called Golfs in Europe, are technological marvels, but the reputation of Hondas, Toyotas and Nissans for reliability, few repairs, handling and fuel efficiency is sol-

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Pressure Eases On Belgian, French Francs

By Adrian Robson
Reuters

PARIS — The French and Belgian francs staged a sharp recovery Monday on foreign exchange markets after a rumored weekend devaluation failed to materialize.

The Bank of France pushed up short-term interest rates to record levels and Belgian financial authorities imposed tough restrictions on commercial banks' foreign exchange transactions.

A spokesman for the West German Finance Ministry said his government saw no need for an adjustment of currency parities within the European Monetary System.

The French franc closed at 2.8295 to the Deutsche mark after hitting a record low at 2.89 on Friday, its floor against the mark within the limited float permitted by the eight currency EMS.

The Belgian franc traded at 19.31 DM, well up from its EMS floor level of 19.7085 at Monday's opening.

The Paris and Brussels governments have repeatedly said they would defend their currencies against devaluation. Official sources in Paris said speculators were now being forced to take more seriously the French government's efforts to avoid a devaluation, which would be the third since the Socialist government came to power in 1981.

Last week, the Bank of France started pushing up Eurofranc deposit rates — interest rates paid on francs in international markets — and levels for one day are now at an unprecedented annual rate of 2,000 percent. This has forced the withdrawal of many speculators from the market, taking pressure off the franc, and dealers said Monday's trading was extremely thin after the turbulent trading of last week.

In Brussels, new regulations introduced Monday forced banks to reduce their ceilings on forward foreign currency transactions and introduced a charge of 1 percent a day on short-term foreign currency holdings used to speculate against the franc.

A West German Finance Ministry spokesman said Monday neither France nor any other country had requested a meeting to discuss a realignment of EMS parities, but the market continued to doubt that French Finance Minister Jacques Delors could avoid a devaluation of the franc.

Analysts have been predicting a franc devaluation for some months but expected the government to delay taking such a politically damaging step until after voting had ended in Sunday's second round of French municipal elections.

But the better than forecast performance by Socialist candidates is likely to have boosted the government's confidence, previously shaken by the party's heavy losses in the first round on March 6, dealers said.

Mr. Delors said on Friday that the parity of the franc was correct but that there was a problem with the Deutsche mark.

Dealers agreed that this view was supported by Friday's fixing in Frankfurt of four currencies — the French and Belgian francs, the Danish krone and the Irish pound — at their EMS floors against the mark. Several dealers estimated the Bundesbank had spent more than 5 billion DM defending weaker currencies since the tension in the EMS began to build in mid-February.

But the dealers doubted whether West Germany would agree to revalue the mark without an accompanying franc devaluation.

Sources at the French Finance Ministry said pressure on the franc should ease further later this week with the possibility of a cut in West German interest rates on Thursday and better French economic indicators due shortly.

Economists also expect the French government to take measures soon to reduce the country's soaring trade deficit, which reached 93 billion francs ($13 billion) last year, almost double the shortfall in 1981.

In Frankfurt, speculation over an imminent EMS realignment pushed the mark higher against the dollar, which was at a two-month low of 2.3830 DM at the close, more than two pfennigs down from its opening 2.4075 DM, dealers said.

Foreign exchange dealers said in Düsseldorf that chances for a quick realignment of parities in the EMS are growing.

French Finance Ministry sources dismissed market speculation that a possible EMS realignment depended on the next European Community heads of government meeting March 21-22.

Many dealers saw a shift of 10 to 15 percent in the parities of the mark and French franc as essential to regaining stability in the system.

The mark was stronger against all European currencies except the French and Belgian francs.

The British pound firmed to close at $1.5080 and also gained against most European currencies.

But in Paris, the pound fell sharply to its lowest level against the French franc since before the first devaluation by the Socialist government in October 1981. The pound fell to 10.1505 francs from 10.4385 at Friday's close.

2 EC Officials to Visit U.S. to Pave Way for Trade Talks

By Youssef Azmeh
Reuters

BRUSSELS — Two senior European Community officials will fly to Washington Thursday to step up pressure on the United States for an early settlement of the trans-Atlantic trade dispute.

Officials said Wilhelm Haferkamp of West Germany, commission vice president for external relations, and Poul Dalsager of Denmark, commissioner for agriculture, would have two days of talks with U.S. cabinet members. The intention is to pave the way for a meeting between the EC Commission president, Gaston Thorn, and the U.S. secretary of state, George P. Shultz, possibly later this month.

Mr. Thorn briefed the foreign ministers of the 10-nation community Monday on the results of lower-level talks with Washington on ways of resolving persistent differences over trade.

The latest dispute, over subsidized exports of mounting farm surpluses, so worries EC foreign ministers that they sent an urgent appeal to Mr. Shultz two weeks ago warning of possible repercussions for the Western alliance.

Diplomats said the trip by Mr. Haferkamp and Mr. Delsager was arranged last week. Both sides were hoping the talks could take place without much publicity and subsequent pressure from the powerful farm lobbies.

The EC, where farm support accounts for two-thirds of the $25-billion annual budget, is under strong pressure from farmers outraged by proposals to limit rises in their incomes next year.

In separate talks Monday, EC agriculture ministers resumed bargaining on annual rises in guaranteed prices for eight million farmers. Diplomats said the ministers would be asked to keep increases close to the average 4.4 percent proposed by the EC Commission and to impose new penalties on farmers who add to the milk, cereals and sugar surpluses.

The U.S. administration will be monitoring the outcome of the price talks closely to see whether the EC lives up to its declared aim of gradually reducing farm subsidies, the diplomats said.

But the French agriculture minister, Edith Cresson, representing the community's largest farming population, already has rejected the commission's proposals as too low, and she is likely to be backed by Italy and Ireland. The agriculture ministers will be meeting until Wednesday.

Diplomats said the negotiations could also be complicated by any realignment of the European Monetary System in coming weeks. This would affect the way farm prices are translated into various currencies.

U.S. Bank Regulator Plans to Leave Post

The Associated Press

WASHINGTON — The chief regulator of the savings and loan associations of the United States said Monday he will leave his post next month, having watched the savings industry rise from "its deathbed" during his two years in Washington.

Richard T. Pratt, chairman of the Federal Home Loan Bank Board, said he would return to private business or to teaching — or both — but had not decided exactly where he would go next.

He also said he fully intended to leave by the end of April despite a congressional holdup in confirming President Ronald Reagan's nominee for another vacancy on the three-member board. If Mr. Pratt were to leave before that matter was settled, it would leave only one member in office — a situation in which the board could take no formal action.

"I don't see that as an issue," Mr. Pratt said Monday.

Mr. Pratt has been a champion of deregulation, arguing that many controls on interest rates and the types of loans S&Ls can offer should be eased or eliminated.

CURRENCY RATES

Interbank exchange rates for March 14, excluding bank service charges.

	$	£	D.M.	F.F.	It.L.	Gldr.	B.F.	S.F.	D.K.
Amsterdam	2.6535	3.998	110.82 *	38.565 *	0.1861	—	5.729 *	128.30 *	30.755*
Brussels (a)	46.10	69.75	19.31	6.748	3.2455 *	17.42	—	22.35	5.34
Frankfurt	2.3895	3.6045	—	35.00 *	1.688 x	90.20 *	5.183 *	115.32 *	27.725 *
London (b)	1.508	—	3.587	10.111	2.120.00	3.9755	N.A.	3.1888	12.944
Milan	1,424.05	2,144.00	594.99	207.08	—	534.85	38.743	687.73	164.80
New York	—	1.523	0.4219	0.149	0.071 *	0.3787	0.0271	0.4906	0.1175
Paris	6.576	10.372	287.50 *	—	4.833 x	259.65 *	14.87 *	333.55 *	79.72 *
Zurich	2.048	3.1138	86.70 *	30.765 *	0.1467	78.21 *	4.5276 *	—	23.955 *
1 ECU	0.9488	0.6298	2.2713	6.5223	1,351.13	2.5172	43.779	1.9641	8.1931
1 SDR	1.09009	0.723111	N.A.	7.4955	1,552.29	2.8926	50.5502	2.2534	9.4173

Dollar Values

$ Equiv.	Currency	Per U.S.$	$ Equiv.	Currency	Per U.S.$	$ Equiv.	Currency	Per U.S.$
0.8701	Australia $	1.1493	0.0259	Israeli shekel	38.68	0.4795	Singapore $	2.0855
0.0594	Austrian schilling	16.835	0.0042	Japanese yen	237.875	0.9171	S. African rand	1.0905
0.02	Belgian fin. franc	50.20	3.42	Kuwaiti dinar	0.2924	0.0014	S. Korean won	758.05
0.8154	Canadian $	1.2265	0.0375	Malay. ringgit	2.2858	0.0076	Span. peseta	131.83
0.1159	Danish krone	8.6325	0.1394	Norw. krone	7.1765	0.1342	Swed. krona	7.4525
0.1852	Finnish mark	5.401	0.0899	Phil. peso	10.0101	0.0251	Taiwan $	39.93
0.012	Greek drachma	83.50	0.0108	Port. escudo	93.096	0.0447	Thai baht	22.3714
0.1509	Hong Kong $	6.6285	0.2987	Saudi riyal	3.44	0.2723	U.A.E. dirham	3.6727

£ Sterling: 1.0963 Irish £.

(a) Commercial franc (b) Amounts needed to buy one pound (*) Units of 100 (x) Units of 1,000

INTEREST RATES

Eurocurrency Deposits

March 14

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	ECU	SDR
1 M.	9 1/2 - 9 1/4	5 1/8 - 5	3 7/16 - 3 5/16	11 5/8 - 11 1/2	13 - 13 1/8	26 1/2 - 27 1/2	N.A. - —
2 M.	9 5/8 - 9 3/8	5 1/8 - 5	3 5/8 - 3 3/8	11 3/4 - 11 5/8	20 - 20 1/4	18 3/8 - 19 3/8	N.A. - —
3 M.	9 1/2 - 9 3/8	5 1/8 - 5	3 5/8 - 3 3/8	11 - 11 1/8	18 - 20 1/8	13 5/8 - 16 3/8	N.A. - —
6 M.	9 7/8 - 9 5/8	5 1/8 - 5 1/8	3 5/8 - 3 3/8	10 5/8 - 10 3/8	26 - 26 1/2	12 1/2 - 13	N.A. - —
1 Y.	9 5/8 - 9 3/8	5 3/8 - N.A.	3 3/8 - 3 1/8	10 5/8 - 10 3/8	22 - 22 1/8	N.A. - —	N.A. - —

Key Money Rates

United States	Close	Prev.
Discount Rate	8 1/2	8 1/2
Federal Funds	8 5/8	8 9/16
Prime Rate	10 1/2	10 1/2
Broker Loan Rate	9 1/2	9 1/2
Comm. Paper, 30-179 days	8.37	8.37
3-month Treasury Bills	8.22	8.24
6-month Treasury Bills	8.23	8.26
CD's 30-59 days	8.45	8.05
CD's 60-89 days	8.25	8.15
West Germany		
Lombard Rate	6	6
Overnight Rate	5.80	5.80
One Month Interbank	5.70	5.70
3-month Interbank	5.50	5.50
6 month Interbank	5.45	5.50
Japan		
Discount Rate	5 1/2	5 1/2
Call Money	6 7/16	6 5/16
60-day Interbank	6 3/8	6 5/8

Britain	Close	Prev.
Bank Base Rate	11 1/4	11 1/4
Call Money	11	11
91-day Treasury Bill	10 9/16	10 9/16
3-month Interbank	11 1/4	11 1/16
France		
Intervention Rate	—	12 1/2
Call Money	12 1/2	12 1/2
One-month Interbank	12 3/4	12 7/8
3-month Interbank	13	13
6-month Interbank	12 5/8	12 5/8

Sources: Commerzbank, Bank of Tokyo, Lloyds Bank, Banque Bruxelles Lambert, Bank of Montreal, Banque Paribas, Bank of Ireland, Bank of Scotland, Morgan Guaranty, Reuters, Bank of England, Bank of Canada, Bank of Japan, Bank of France, Bank of Italy, Bank of Spain, Bank of Portugal, Central Bank of Ireland, Central Bank of Denmark, Central Bank of Norway, Central Bank of Iceland, Central Bank of Finland, Central Bank of Greece, Central Bank of Turkey, Central Bank of Cyprus, Central Bank of Malta, Central Bank of Luxembourg, Central Bank of Belgium, Central Bank of Netherlands, Central Bank of Germany, Central Bank of Austria, Central Bank of Switzerland, Central Bank of Sweden, Central Bank of Russia, Central Bank of Poland, Central Bank of Hungary, Central Bank of Czechoslovakia, Central Bank of Romania, Central Bank of Bulgaria, Central Bank of Albania, Central Bank of Yugoslavia, Central Bank of Cyprus, Central Bank of Malta, Central Bank of Luxembourg, Central Bank of Belgium, Central Bank of Netherlands, Central Bank of Germany, Central Bank of Austria, Central Bank of Switzerland, Central Bank of Sweden, Central Bank of Russia, Central Bank of Poland, Central Bank of Hungary, Central Bank of Czechoslovakia, Central Bank of Romania, Central Bank of Bulgaria, Central Bank of Albania, Central Bank of Yugoslavia.

GOLD PRICES

	A.M.	P.M.	Ch'ge
Hong Kong	426.50	428.50	+1.20
Luxembourg	430.50	—	+3.50
Paris (12.5 kilo)	428.84	428.77	+1.27
Zurich	427.75	427.50	+4.50
London	431.75	428.50	+4.00
New York	428.50	—	+4.80

Official fixings for London, Paris and Luxembourg, opening and closing prices for Hong Kong and Zurich, New York Handy & Harman. U.S. dollars per ounce.

Market Summary, March 14

Dow Jones Averages

	Open	High	Low	Close	Ch'ge
30 Ind	1119.58	1124.61	1105.07	1114.45	—3.29
20 Trn	501.51	503.81	495.55	500.16	—3.18
15 Util	126.80	127.54	126.11	126.98	Unch.
65 Stk	443.19	445.27	438.04	441.77	—1.59

Standard & Poors Index

	High	Low	Close	Ch'ge
Composite	152.15	149.48	150.83	—0.41
Industrials	170.80	167.72	169.28	—0.45
Utilities	62.45	61.69	62.04	—0.11
Finance	18.36	18.06	18.21	—0.06
Transp.	26.40	25.93	26.16	—0.18

Odd-Lot Trading in N.Y.

	Buy	Sales	*Short
Mar. 11	190,832	411,961	1,384
Mar. 10	219,128	451,728	1,885
Mar. 9	215,204	473,139	1,682
Mar. 8	230,362	496,840	1,649
Mar. 7	258,128	577,987	3,240

*Included in the sales figures.

Market Diaries

	NYSE Close	NYSE Prev.	AMEX Close	AMEX Prev.
Volume	61.89	78.32	6.03	6.45
Adv.	545	609	243	257
Vol. Up	15.67	19.39	1.09	2.99
Decl.	1,015	937	367	355
Vol. Down	36.52	35.08	2.81	2.15
Unch.	411	411	209	210
Total	1,971	1,957	819	822
New Highs	76	99	33	48
New lows	5	5	1	0

AMEX Stock Index

High	Low	Close	Ch'ge
385.23	381.72	383.42	—1.81

AMEX Most Actives

	Sales	Close	Ch'ge
Imp Chem	488,600	6⅝	
WarnLabB s	262,000	32¼	— ¼
DomePtrl	272,600	3 1-16	
CyprusCp	127,900	11½	
Dynalect Co	103,200	12⅝	—1½
MichElec	101,900	18¼	+ ¼
PGE 2.50pfP	82,800	17¼	+ ½
PetroLew	82,600	10½	— ½
ForestLab s	78,700	29½	— ½
GulfCan g	74,300	11¼	

NASDAQ Index

	Close	Ch'ge	Week Ago	Month Ago
Composite	264.24	—1.84	265.32	167.92
Industrials	316.09	—2.95	317.18	187.33
Finance	230.14	—0.50	229.98	160.87
Insurance	250.94	—0.54	249.92	185.18
Utilities	321.81	—1.62	327.64	169.33
Banks	167.10	+0.17	165.79	135.13
Transp.	224.49	—2.97	229.17	145.34

Dow Jones Bond Averages

	Close	Ch'ge
Bonds	73.35	+0.12
Utilities	72.76	+0.06
Industrials	73.95	+0.19

NYSE Index

	High	Low	Close	Ch'ge
Composite	87.12	86.47	86.99	—0.30
Industrials	100.04	99.06	100.04	—0.35
Transp	82.01	81.64	82.01	—0.66
Utilities	45.82	45.66	45.82	—0.09
Finance	91.99	91.74	91.99	—0.42

NYSE Most Actives

	Sales	Close	Ch'ge
AmerT&T	1,737,700	66⅝	— ⅛
Searle GD	949,300	37⅞	+ ⅛
MesaOffsh n	763,100	2⅞	
Exxon	701,400	30⅝	— ⅜
IBM	660,000	100½	— ⅛
SuperOil	657,100	35⅛	— ⅜
Xerox Co	552,700	40	— ½
Natomas	551,100	15½	— ¼
FordMot	521,000	39	—1⅛
MesaPtr n	515,500	12⅛	+ ⅜
BaldwUld s	501,600	27½	—1⅞
MidSouUt	492,700	15⅝	
Gen Motors	487,500	59⅞	— ¾
RCA	479,100	22	— ½
SearsRoeb	477,200	34½	— ⅝

Monday's NYSE Closing Prices

Tables include the nationwide prices up to the closing on Wall Street.

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls. 100s	High	Low	Close	Ch'ge Prev Close
		—A—A—A—								
10¾	5½	AAR	.44	4.0	26	376	11⅛	10⅝	11⅛	+ ⅜
58	27½	ACF	2.76	8.7	6	80	32⅛	31⅞	31⅞	— ⅜
70	12½	AMF	1.36	7.9	13	266	17⅝	17	17⅛	+ ⅛
25⅝	12¾	AMR Co				1034	24⅞	23⅝	24½	— ⅜
12¼	4	AMP wt				377	11⅝	10⅝	11⅛	— ¼
18¼	12½	AMP pf	1.38	13		28	12⅝	12⅝	12⅝	
29¾	24⅞	AMP pf	2.13	7.5		14	28⅝	27⅞	28⅛	— ¼
6⅝	2½	APL			34	124	6½	6⅛	6⅛	
46	23½	APA	2	5.0	12	70	41	40¼	40⅝	— ⅜
32⅝	24½	ASA	.30	4.2		315	33¾	32⅞	33⅛	+ ⅛
27⅝	13	AVX	.32	1.4	30	191	23¼	22	22⅝	— ⅝
31⅝	27	AbtLab	.84	2.8	18	473	43	42½	43	
22½	15⅝	AcmeE	1.48	8.1	20	36	17⅝	17⅝	17⅝	— ⅛
12½	5½	AdmDm	.08	.9	13	117	9	8⅞	9	+ ⅛
13	7½	AdmDp	.04	.3	13	103	12⅞	12⅞	12⅞	— ⅜
17⅞	12½	AdeEx	1.73e		11	62	16⅛	15⅞	16	+ ⅛
9⅝	4⅝	AdmM	.20c	2.5	11	14	8	7⅞	8	+ ⅛
22⅝	14½	AdvMicr	s.16	.8	11	71	20⅞	20⅛	20⅞	+ ⅛
39¼	12½	AMD s		51	1219	34	32⅞	33⅝	+1¼	
48½	32⅞	AetnLf	2.64	6.9	8	1142	38⅝	38	38	— ⅝
65	52⅝	AetL pf	3.78e	6.5		10	56½	56½	56½	
57⅞	8	Ahmnn	.60	1.8		108	34⅝	33½	33½	
4	2⅝	Aileen				115	3⅜	3⅛	3⅜	
46⅛	23⅝	AirFrg	.80	1.8	13	315	44½	44⅛	44⅝	— ⅜
24½	9½	AirbFrt	.60	2.6	30	94	23⅝	23	23	— ⅛
2⅝	1	AlaGa n	.04			14	2⅝	2½	2½	
34½	24½	AlaP	pfA3.92	13		5	31¼	31	31	— ¼
7½	5⅝	AlaP	cpf.87		12	11	7	7	7	
24½	16½	AlaP	pf9.44	13		230	23¾	23⅝	23⅝	+1½
55½	36½	AlaP	pf8.16	13		100	64	64	64	—1½
66¾	51	AlaP	pf8.28	13		3450	64½	64	64⅛	+1¼
17½	13	Alagsco	1.60	9.5	6	1	16⅞	16⅞	16⅞	
15½	4⅝	AlskAir	.16	.9	14	189	17⅞	17⅛	17⅛	— ⅜
35⅝	23½	Albany	1.40	4.2	14	20	33½	33	33½	+ ⅜
24½	10¼	Alberto	.54	2.9	12	15	18½	18½	18½	— ⅛
49½	26¾	Albtsn	1.20	2.7	12	162	45⅞	44¾	45⅛	— ⅛
33	18⅝	Alcan	.90	2.9		167	31⅛	30⅞	31	— ⅛
22⅛	18	AlcoSld	1.12	2.9	10	47	29⅝	28½	28½	—1
30½	18⅝	AlexAlr	1	4.7	35	1602	21⅝	20⅞	21⅛	— ⅜
13⅞	7½	Alexdr	.12	1.1	10	12	12⅛	12⅛	12⅛	+ ⅛
37⅝	24⅝	AlgCo	1.08	1.9	10	52	24⅝	24½	24½	— ⅜
25⅝	18⅝	AlgCo	pf2.86	11.		2	25⅝	25⅝	25⅝	— ⅛
22½	16⅝	Alglnt	1.40	4.9	13	84	28⅝	28	28⅝	+ ⅛
20¼	14	Algln	pfc2.19	11.		16	19⅞	19⅝	19⅞	
88⅝	68	Alglt	pfC11.25	13.		219	84½	83½	83½	— ⅜
25⅝	17¾	AlgPw	pf2.40	10.	7	390	23⅝	23	23⅝	+ ⅛
17⅝	12⅛	AllenG	.40b	2.3		39	17⅝	17	17⅛	+ ⅛
22⅝	8⅝	AllcCp	2.40	5.9		e1399	41⅝	39⅝	40⅝	— ⅝
62¼	46½	AldCp	pfA.74	11.		538	u63	61¾	63	+1½
107¾	94½	AldCp	pfB2.10	12.		3	102	101½	102	— ½
110½	102½	AldCp	pfL7.8e	1.7		75	102¼	102¼	102¼	
8⅝	5¼	AldPd		1.6		38	6⅝	6½	6⅝	
41⅝	22⅝	AlldStr	1.80	4.4	11	158	u41⅝	41¼	41⅝	— ⅛
14½	10½	AllstPt	2.40	2.3	11	2	10⅝	10⅝	10⅝	— ⅛
15½	6⅝	AllisCh				391	13⅞	13⅛	13⅜	+ ⅜
39½	20	AlloCh	pf		7	39	29½	28	29½	+2
18½	9⅝	AlphPr				1	18⅝	18⅝	18⅝	+ ⅝
36⅝	22	Alcoa	1.20	3.7	19	1903	32⅝	32⅛	32⅝	— ⅛
29⅝	17½	Amax	.20	.8		485	24⅝	24½	24⅞	
44	32½	Amax	pf 3	7.8		3	40	38½	38½	—1¼
22⅝	14⅝	Amrce	.40	2.7		122	u23¼	22	23¼	+ ⅛
24⅝	14⅝	AmrcFn	.60	3.0	12	41	20⅝	19⅞	20⅝	+ ⅜
33½	15⅞	AmHes	1.10	4.7	12	x2644	23⅝	22⅝	23¼	+ ⅛
3½	1⅝	AmAgr				95	2⅝	2⅝	2⅝	
15⅛	8	ABakr			7	60	11⅝	11⅛	11⅛	— ⅛
36⅝	22	ABrand	3.50	7.6	7	95	46⅝	45⅝	46⅝	— ⅛
29⅝	20½	ABrd	pf2.75	11.	3	25	25½	25½	25½	— ½
51	38	ABrd	pf2.67	5.8		3	45⅝	45⅝	45⅝	— ¼
61⅝	28½	ABdcst	1.60	2.7	11	265	59½	58½	58⅝	+ ⅛
26⅝	12⅝	ABdMk	1.40	3.8	12	41	37	36⅝	36⅝	— ⅜
21⅞	11⅛	ABesPd	.64	3.1	10	38	20⅝	20	20⅝	+ ⅛
35⅝	26½	AmCan	2.90	8.4		424	34⅝	34⅛	34½	+ ½
24⅝	19⅝	ACan	pf2.80	12.		11	22⅝	22⅝	22⅝	— ⅛
24⅝	20	ACan	pf1.94	8.3		109	23½	23⅛	23⅛	— ⅛
104⅝	98⅛	ACan	pfB3.75	13.		22	104	103⅝	103⅝	— ⅜
10⅝	7½	ACnIC	n		16	15	9⅞	9⅞	9⅞	—1⅛
40⅝	24½	ACyan	1.75	4.3	15	843	40⅝	39⅝	40⅛	+ ⅛
58	54	ADT	2.64	4.9	13	16	54⅝	53⅝	53⅝	— ⅜
19⅝	15½	AEIPw	2.36	12.	9	1056	19	18⅝	18⅝	— ⅜
60	26⅝	AExp	s1.80	3.2	12	1580	57	55½	56½	— ⅛
78½	7½	AFamil	.60	27.10		62	16⅝	16⅝	16⅝	— ⅛
42½	27⅝	AGenl	.80	2.0	8	572	40½	39½	40	— ⅛
58⅝	47⅝	AGnl	pf 12.32e		4	24	52½	52	52⅝	+ ⅛
87	50⅝	AGnl	pfB2.1ae		3.3		284	64⅝	64½	+ ½
51⅝	31	AGnl	pfJ3.25	6.4		14	50½	50½	50½	— ½
20⅞	15½	AGIBd	2.16	11.		98	19⅝	19½	19½	— ½
32½	21⅝	AGIDv	1.80a	6.0		8	30½	30	30	— ⅛
16⅝	8⅝	AHoist				24	12⅝	12⅝	12⅝	— ⅛
48⅝	33¼	AHome	2.40	5.1	13	2094	47½	46½	47	+ ⅛
45½	25⅝	AHoss	s .84	2.0	15	558	42⅝	42	42½	— ⅛
30⅝	12⅛	AMI	s .48	1.6	17	1245	30⅝	29⅝	30	— ⅛
8¼	3	AmMot				546	7½	7	7⅛	+ ⅛
37⅞	25¼	ASulPs	3	9.1	5	598	33¼	32⅝	33	+ ⅛
39	5½	ASulPfd		1.6		57	38⅝	38⅝	38⅝	+1½
13⅝	8⅝	AShip	.80	6.3	11	165	13⅝	12⅝	12⅝	— ⅜
36⅝	17	AmStd	1.60	4.9	25	145	32⅞	32½	32½	
19⅝	11⅛	ASterl	.40	2.3	12	492	18½	17⅝	17⅝	— ⅜
75½	33½	AmStr	1	1.3	9	x126	75	73	75	
51⅝	39	AStr	pf 5.55	11.		2	u51⅝	51⅛	51⅝	+ ⅛
70½	49⅝	ATT	5.40c	8.2	8	17277	66⅝	65⅝	66⅛	— ⅛
73½	52⅝	ATT	pf 4	5.8		15	70	69½	69½	— ½
38⅝	28⅝	ATT	pf 3.64	9.7		81	37⅝	37⅝	37⅝	
39	29	ATT	pf 3.74	9.7	2	38	38⅝	38⅝	38⅝	
22⅝	13⅛	AWatr	1.40	6.3	6	9	22⅝	22⅝	22⅝	+ ⅜
28⅝	17	AWat	pfl.43	5.7		c100	28	28	28	
		—B—A—A—								
17⅛	8½	AWat	pfl.25	12.		z510	11⅝	10⅝	10⅝	
23⅝	19⅛	AHolt	n.19e	.9		421	21⅝	21	21⅝	+1
14⅝	8½	AmesD	.40	.9	15	22	u44⅝	44⅝	44⅝	—1½
39⅝	27	Ames	1.20	3.3	15	30	36⅝	36⅛	36⅛	— ⅝
27½	17½	Amfac	1.44	5.4	12	65	27	26⅝	26⅝	
20⅝	15⅝	Amtec	n		7	62	20⅝	19⅝	19⅝	
81	60½	AMPin	1.60	2.1	22	246	76⅝	75	75⅝	—1⅛
15⅝	11⅞	Ameco	.30	1.9		7	15½	15½	15½	— ⅛
17½	11	Amrep				13	13⅝	13⅝	13⅝	— ⅛
27½	17	AmStl	1.76	6.3	6	18	27⅝	27⅝	27⅝	— ⅛
26⅝	18⅝	AmStr	1.90	7.5	25	39	25⅝	25	25⅛	— ⅛
6⅛	4⅝	Amsl	pf .68	12.		17	5⅝	5⅝	5⅝	
29½	18⅝	Amsted	.88	2.9	27	18	27⅝	27⅝	27⅝	+ ⅛
12⅝	9⅝	AncnMn	n.12	.6	38	425	20½	19⅝	19⅝	— ½
36	15½	Anchor		.40		276	24	23⅝	24	— ⅛
24⅝	13⅝	Anchor	1.36	5.6	19	512	24⅝	24	24⅝	+ ⅛
32⅝	19⅝	AnClay	1.32	4.7	12	77	28⅝	28⅝	28⅝	— ⅜
14⅛	9½	AndrGr	.20	1.5	10	84	13⅝	13⅝	13⅝	— ⅛
46	17½	AnnStk	.72	1.7	20	221	44	42½	42½	—2½
70⅝	43⅝	Anheus	1.48	2.2	11	562	67⅝	67	67	— ⅛
57½	48	Anheu	pf3.60	7.1		48	51⅛	51	51	— ⅛
26⅝	9⅝	AnnTr	.20	.8		28	997	26⅝	26⅝	+ ⅛
15⅝	5⅝	Anthn	.56	4.3	7	60	13	12⅝	12⅝	
9⅝	6⅝	Anthny	.440	4.8	21	10	9⅝	9½	9⅝	
16⅛	7⅛	Apache	.28	2.8	8	187	10⅝	9⅝	10	— ⅛
34⅝	19⅝	ApchPt	pn26	9.3		319	20⅝	20	20⅝	— ⅛
61⅝	45⅝	ApPw	pfA4.40	13.		z150	57½	57	57½	+1½
33⅛	26	ApPw	pfA1.18	13.		3	33⅛	33⅛	33⅛	
38½	27⅝	ApPw	pfB1.80	13.		3	30⅝	30	30⅝	+ ⅜
27½	12½	ApplMg	1.14f	.4.5	16	359	26⅝	25⅝	25⅝	—1⅜
24⅝	13⅝	ArchDn	.40b	.4	16	983	24	23½	23⅝	— ⅝
26	19½	ArizPS	2.52	10.	8	562	24⅝	24⅝	24⅝	
27⅛	23	ArlR	pf 3.58	12.		57	u31½	30⅝	30½	
14⅝	9⅝	ArkBst		.7		12	11⅝	11⅝	11⅝	— ⅛
23½	12⅝	ArkLa	.92	5.1	10	273	18½	17⅝	18½	+ ⅛
13	13-32	ArlnRt				2	1111	1⅛	1	
11⅝	5⅝	Armada				11	10⅛	10	10⅛	+ ⅛
22⅝	14⅝	Armco	.80	4.1		713	19⅝	19½	19⅝	— ⅛
37½	21⅝	Armc	pf2.10	6.7		11	u31⅝	31⅛	31⅛	— ⅛
36	14	ArmR	s .80	2.5	8	52	33	32⅛	32⅛	—1
28⅝	14	ArmWin	1.10	3.9	36	359	28⅝	27⅝	28⅝	+ ⅜
17⅝	12⅝	ArvCo	.80	4.4	47	42	u18	17⅝	18	+ ⅜
21	9½	ArowS	.16		9	80	16	15⅝	16⅛	— ⅛
20½	15⅝	Artra	.22	1.3	60	103	17⅝	16⅝	17⅛	+ ⅛
22⅝	11⅝	Arvin	1.12	5.2	15	254	22½	21½	21½	— ½
22⅝	14⅝	Arvin	pf 2	6.8		12	15	14⅝	14⅝	— ⅛
39⅝	17⅝	Asarco	.40	.1	2	568	33⅝	33⅛	33⅛	— ⅛
35	26½	AshOil	2.40	7.9	7	229	31	30⅝	30½	— ⅜
39½	29⅝	AshOil	pfA3.94	13.		3	37⅝	37½	37½	— ⅛
49⅝	28⅝	AsdDG	2	4.5	12	209	44	43½	44	+ ⅛
80	50⅝	AsDD	pf4.75	6.4		161	72½	72	72	—1½
24⅝	14⅝	Athlone	1.60	6.2	21	23	19⅝	19½	19½	— ⅛
23½	16⅝	AtCyEl	2.28	10.	8	97	22⅝	21⅝	21⅝	
19⅝	5⅝	AtlMtrs	.06e	4.9	6	2808	1⅝	1⅝	1⅝	— ⅛
50	32⅝	AtlRich	2.40	5.8	6	x4540	41½	41½	41½	+ ⅛
37½	28½	AtlRc	pf3.75	10.		230	36	36	36	
119	77⅝	AtlRc	pf2.80	2.8		3	99½	97½	99½	+1⅝
21⅝	10⅝	AtlCp	.25e	1.2	2	104	20⅝	20⅝	20⅝	+ ⅛
40½	29	Augat	.12	.3		28	45	36⅝	36⅝	—3⅝
40⅝	24⅝	AutoCl	.50	1.3	21	349	38	37⅝	38	+ ⅛
32⅝	14½	AvcoCp	1.20	3.9	12	578	31⅛	30½	31	
40⅝	22½	Avery	.90	2.5	15	45	36	35⅝	36	
29⅝	17⅝	Avnet	s .50	1.7	21	851	30⅝	29⅝	30	— ⅛
35	19⅝	Avon	2	4.2	12	1014	47⅝	32	32½	— ⅜
20⅝	16⅝	Axia	1.15	6.0	30	29	19⅛	19⅛	19⅛	— ⅛
49½	13⅛	Aydin	s		22	344	47⅛	45½	47⅛	+2⅛
		—B—B—B—								
29⅝	14½	Balmac	.50	1.8	8	22	28	27⅝	27⅝	— ⅜
34⅝	17⅝	BnTrst	.92	4.7	7	1322	20	19⅝	19⅝	— ⅛
25⅝	16⅝	Baldor	.22	1.3	17	11	24⅝	24⅝	24⅝	+ ⅛
50⅝	20⅛	BaldU	s .86	3.2	5	1018	28⅝	26½	27½	—1½
32	16½	BallCo	s1.04	3.5	9	58	29⅝	29½	29½	+ ⅛
23⅝	21⅝	BallNt	.20	.9	7	707	21⅝	21⅝	21⅝	— ⅛
31⅛	24½	BallGE	2.84	9.2	8	367	30⅝	30⅝	30⅝	+ ⅜
27⅝	14⅝	BancCi	1.20	3.5	19	168	36	34⅝	34⅝	—1⅜
8⅝	5⅝	BanTe	.20	3.1	11	296	6½	6½	6½	— ½
45	21⅝	Bandag	1	2.2	16	86	46⅝	44⅝	44⅝	— ⅜
27⅝	11	BangP	.80	3.5		103	u23	22⅝	22⅝	+ ⅛
46⅝	24	BanP	pf 2	4.3		6	u47	46⅝	47	+ ⅜
35⅝	26⅝	BNY	1.40	6.5	5	50	21½	21½	21½	+ ⅜
19⅝	12⅝	BkTrVa	1.25	6.4	5	25	19⅝	19½	19½	— ⅛
26⅛	15⅝	BnkAm	1.52	7.2	7	1988	21⅛	20⅝	21	
60½	56⅝	BkAm	pf1.28e	2.5		321	52	51	51⅝	
90	82	BkAm	pf			230	84	82	82	
35	20⅝	BkAtl	.40	2.1	9	119	22	21⅝	22	+ ⅛
45½	25½	BnkTr	2.20	5.5	5	843	41⅝	39⅝	40⅝	+ ⅜
25½	17⅝	BkTr	pf 2.50	10.		1150	u24⅝	24	24⅝	+ ⅜
18⅝		Banner				206	9⅝	8⅝	9½	+ ½
27	19	Bard	s .38	1.1	20	349	36½	35½	36	— ⅛
20⅝	11⅝	BarnGp	.60	.3	19	19	19	19	19	
34⅝	18⅝	Barnet	1.08	3.7	8	58	30⅝	29	29⅝	— ⅜
36½	23	Barnt	pf2.38	6.9		9	34⅝	34½	34½	— ⅜
25⅞	13⅝	BarryWr	.40	1.6	20	228	25⅝	24⅝	25⅝	— ⅛
9⅝	3½	BasRes	.361	4.2	12	256	8⅝	8½	8½	— ⅛
48⅝	33⅝	Bausch	1.36	3.3	19	447	47⅝	46⅝	47⅝	+ ⅛
53⅝	31⅛	BcxTr	.56	1.1	20	435	51⅝	51⅛	51⅝	+ ⅛
14⅛	6½	BayFin				115	78	13⅝	13⅝	— ⅛
24⅝	17½	BayStG	2.48	18	12	57	24⅛	24	24⅛	— ⅛
39	26	Bearing	1	2.8	19	37	36	35½	35⅝	
25⅛	18	BeatPd	1.60	6.3	9	1416	25⅝	25⅛	25⅝	+ ⅛
49	34⅝	Beat	pf 3.38	7.2		14	47⅝	47	47⅝	
47⅝	36	BecmD	1.15	2.6	12	295	44⅝	43⅝	44	+ ⅛
9½	3⅝	Beker				275	9½	8⅝	8⅝	— ⅜
29⅝	17⅛	BelcnPn	.70	2.5	6	2367	28½	27⅝	27⅝	+ ⅛
11⅝	5⅝	BelanN	.36	2.1	15	701	11⅝	11⅛	11⅛	
39⅝	19⅝	BellHow	.96	2.6		475	37⅝	37⅛	37⅝	— ⅛
26½	13⅝	BellInd	.24	.9	17	58	26½	25⅝	26	— ⅜
21⅛	13⅛	BellCd	pf2.08			5	16⅝	16⅝	16⅝	
30⅝	24⅛	Bemis	1.60	4.5	13	30	36⅝	35½	35⅝	— ⅜
72⅝	38⅝	Bendix	pf4.04	6.7		20	71	70⅝	71	
27⅝	14⅝	BenfCo	.92	9.2	8	166	22	21⅝	21⅝	— ⅛
81	51⅝	BerkH	2.12	2.3		242	92	91	92	—1½
15⅝	11⅝	Berkey	.40	4.8	18	3	8⅝	8⅝	8⅝	— ⅛
30½	14⅝	BestPd	.32	1.1	22	116	30	29⅝	29⅝	— ½
24½	14½	BethSt	.60	2.7		2076	23	22⅝	22⅝	— ½
34½	15⅝	Beverly	s .28	.9	24	577	32⅝	31⅝	32⅝	— ½
38⅝	27⅝	BigThr	.72	3.2	11	28	22	21⅝	22	+ ½
36⅝	24⅝	Binney	1.20	3.8	11	30	32⅝	31⅝	31⅝	— ½
9⅝	7½	BioFSL				28	7⅝	7⅝	7⅝	
33	17⅝	BlockDr	.52	2.6		299	19⅝	19⅝	19⅝	
32½	12⅝	BlkHPw	2.40	6.8	7	48	35⅝	35⅝	35⅝	— ½
56	23⅝	BlairJn	1	1.9	12	26	51⅝	51⅛	51⅛	+ ⅛
43⅝	25⅝	BlckHP	1.92	5.1	12	146	38	37⅝	37	—

BUSINESS BRIEFS

Workers to Buy Weirton Works Of National Steel for $66 Million

NEW YORK (NYT) — An agreement has been approved in Weirton, West Virginia, to let workers buy National Steel's huge Weirton Works, transforming it into the largest employee-owned company in the United States.

A price of $66 million was set for the mill and equipment by bargainers on a committee including representatives of the employees' union, the Weirton Division and National, the fourth largest U.S. steel producer. The employees would also buy, for $300 million, raw materials and other inventory from National at market value or less, according to Gene Keilin and Josh Gotbaum, vice presidents of Lazard Frères & Co., the New York financial consulting company that served as an adviser to the Joint Study Committee.

A vote of 7,000 workers at the plant, which employed 12,000 at peak production, must be held before the purchase is approved. Preliminary approval of the agreement was given Saturday by the Joint Study Committee and plant stewards and superintendents. Takeover by the new company is set for June 1 at the latest. The plant currently does business worth $1 billion a year.

Fuji Bank to Buy 2 Heller Units

NEW YORK (Reuters) — Walter E. Heller International Corp. said Monday that Fuji Bank of Tokyo has agreed in principle to buy two of the company's commercial finance subsidiaries, Walter E. Heller & Co. and Walter E. Heller Overseas Corp., for $425 million.

Heller expects to complete the sale to Fuji Bank later this year and that the proposal does not apply to its third major subsidiary, American National Bank & Trust of Chicago.

Heller International said that it has ended negotiations to sell the two subsidiaries to Security Pacific.

Sun Hung Kai Companies to Merge

HONG KONG (Reuters) — Sun Hung Kai Securities and Sun Hung Kai Bank plan to merge under a newly formed holding company, Sun Hung Kai & Co., which will acquire the entire shareholdings of both companies, the companies said in a joint statement Monday.

Fung King Hey, the chairman and principal shareholder of SHK Securities and SHK Bank, will hold 40 percent of the new company while Paribas and Merill Lynch each will have about 20 percent, with the remaining shares divided among shareholders of SHK Bank and SHK Securities.

Under the arrangement, Mr. Fung, Paribas and Merrill Lynch will make long-term financing available to Sun King Fung, and SHK will halve its 4 percent holding in Merrill Lynch. In return Paribas and Merrill Lynch will receive options to purchase shares in Sun King Fung of 5 and 10 percent respectively.

SHK Securities reported during the weekend a loss of 186.8 million Hong Kong dollar ($28.2 million) in 1982 after a 216.87 million dollar profit in 1981. SHK Bank said its profit had dropped to 35.15 million dollars for 70.41 million dollars in 1981.

Intel to End Pay Cuts, Freezes

SANTA CLARA, California (UPI) — Intel, citing an improved outlook for the electronics industry, announced Monday it would begin phasing out the wage cuts and freezes it imposed Jan. 1 to avoid layoffs.

Half the pay cut will be restored April 1 and, if profitability continues to improve, the other half will be restored July 1, the manufacturer of memory and microprocessor components for computers said. The cuts affected a majority of Intel's workers and ranged up to 10 percent.

Company Notes

Metromedia and **Graphic Scanning** have entered into a partnership agreement to file a single application with the Federal Communication Commission for cellular mobile telephone service in Boston.

Eastman Kodak will introduce a new office copier and a continuous forms feeder, the Ektaprint 200, starting in the third quarter of 1983 and carrying a price competitive with other machines in its class.

As Prices Fall, Moscow Scrambles for More of Oil Market

By John F. Burns
New York Times Service

MOSCOW — With the Organization of Petroleum Exporting Countries in disarray and worldwide oil prices falling, the Soviet Union, the world's largest oil producer, is scrambling as hard as any other exporter these days to protect itself.

In recent weeks, growing numbers of Soviet tankers have sailed for Rotterdam and other refining centers of the West, laden with crude from Siberia and the Caspian Sea at prices and volumes calculated to pry an increasing share of the world market away from OPEC.

According to Western data, Soviet crude exports to the West in the first two months of this year have increased to between 1.4 million and 1.5 million barrels a day from an average of 1.1 million in 1982.

The asking price for Soviet crude on the Rotterdam spot market has fallen to between $27 and $28 a barrel this month from $29.25 in February and $31.50 late last year.

While transport and quality factors complicate price comparisons, the result has been to maintain a slight competitive edge for the Russians relative to other major sellers.

Moscow's push to win a larger market share for its oil reflects its concern about earning the hard currency it needs to pay for key imports from the West. Among these are at least 30 million tons of grain this year and billions of dollars worth of steel pipe and machinery for the Siberian gas pipeline to Western Europe.

The Soviet Union also faces heavy drains from its allies, particularly Poland, Cuba and Vietnam, which all receive part of their Soviet assistance in the form of hard currency.

Moscow's vulnerability to falling oil prices can be measured from figures showing that crude oil accounted for more than 50 percent of its trade earnings from the industrialized West in 1981. Some experts believe the figure may now be as high as 60 percent.

Western diplomats and bankers in Moscow believe that, for now, increased Soviet oil sales are offsetting the impact of falling prices, and that Soviet energy earnings from the West this year will equal or slightly exceed last year's $20 billion, unless the price falls to $25 a barrel or less.

Awkward as falling oil prices have been for the Kremlin, the decline has not been felt as sharply in Moscow as it has in countries that have run up huge hard currency debts in recent years on the strength of projected oil revenue.

Although Soviet imports have risen rapidly to absorb the earnings that came with the nearly tenfold increase in oil prices in the decade after 1973, the Kremlin has followed a generally prudent fiscal policy. Recent figures show that servicing hard currency loans takes a relatively low 16 percent of revenues from trade with the West.

Then, too, Moscow's gold reserves total more than $20 billion at current market rates, or the equivalent of almost 10 months of hard currency imports.

Nonetheless, the need to push rapidly increasing amounts of oil into Western markets is causing headaches for planners here and in Eastern countries that depend on Soviet oil. With domestic oil production virtually stagnant — last year's output of 613 million tons was up barely four million tons, or less than 1 percent — any major increase in shipments to the West must come from squeezing users at home or in allied states.

Western analysts in Moscow see a possibility that, in the long term, the Kremlin may place an even tighter squeeze on Eastern Europe, asking that a part of oil shipments be paid for in hard currency instead of rubles, or by shifting an even larger proportion of total Soviet exports into Western markets.

Even with the shift toward larger energy shipments to the West, Moscow's hard-currency sales lag significantly behind its oil exports to Eastern Europe and other soft-currency buyers. In 1981, when the country exported nearly 3.3 million barrels of oil a day, about 2.3 million went to soft-currency partners. Most of the rest went to Finland, France, the Netherlands, Italy and West Germany.

One of the spillover effects of the oil-price decline is the risk it poses to Moscow's natural-gas pipeline to Western Europe. The availability of abundant supplies of oil at low prices now appear to be discouraging the commitments that the Kremlin was hoping for from Western European gas users.

Some diplomats say the pipeline may not be used at anything like its maximum capacity. The Kremlin's hopes of realizing up to $10 billion a year in revenue from the project by the end of this decade could prove illusory.

VW Seeks a Niche in U.S. Market

(Continued from Page 9)

idly ingrained in the U.S. psyche.

Sales last year of the U.S.-produced Rabbit, the company's high-volume model, fell 44 percent from 1981, to 91,166 cars. Volkswagen's share of the U.S. market, including imported models, slipped to 2 percent last year, down from 3.2 percent in 1981 and a far cry from the 6.7 percent it had in 1970.

[The sharp deterioration in U.S. sales has resulted in a 1982 group loss for Volkswagenwerk, Carl H. Hahn, the chairman of the parent company, has told the Finanz und Wirtschaft newspaper of Zurich, Reuters reported Monday.]

Moreover, history appears to be repeating itself when it comes to model changes. Volkswagen's dogged determination to cling to the Beetle through the 1960s, even though it was clearly becoming obsolete, led to a financial crisis in the early 1970s. And Mr. Hahn said last fall he is determined not to restyle the Rabbit, introduced in the United States in 1975, just because Japanese and U.S. companies are continually introducing newer looking cars.

"We won't change a design until we find a better one," Mr. Hahn has said. "Our philosophy is the opposite of our competitors. We have always been innovative in our engineering, which is not always apparent in a superficial look."

In an effort to stimulate sales, the company has trimmed the Rabbit's price and is offering rebates to clear out unsold 1982 stocks.

Volkswagen executives acknowledged that they are losing money on each Rabbit sold in the United States and Volkswagen of America, which also sells high-priced Porsches and Audis, was in the red last year.

Mr. Phillips appears ready to concede the market for lowest priced cars to the Japanese, and concentrate on finding the so-called "niche markets" for higher-priced, specialty cars, using models adapted from Volkswagen's existing lineup. One example of this tactic, Mr. Phillips said, is the Rabbit GTI, a high-performance version of the basic Rabbit that is priced at $7,990. This gives the company a well regarded entrant in the developing performance-car market at a price considerably under the $10,150 cost of a Scirocco, a Rabbit derivative produced by Karmann.

"We undoubtedly will produce other vehicles," Mr. Phillips said, "which we believe will have a similar effect, but in other segments of the market."

But a lot of other people have similar ideas.

"The mass markets of the past are gone," Lloyd Reuss, the head of GM's Buick division, declared recently. "There are going to be a lot more specialty markets." The key to success, he added, is to develop models that are different in detail, but which share the most costly components: engine, drive train, basic body shell.

In discussing Volkswagen's fortunes, Mr. Phillips argued that the company was disproportionately hurt by the public's switch away from diesel engines, and statistics would seem to bear him out. While the sale of gasoline-powered Rabbits was falling 15 percent last year, to 53,461 cars, diesel Rabbits were down 62 percent, to 37,705.

"At these sales levels, it probably makes more sense to build them in Germany," observed David Healy of Drexel Burnham Lambert.

Mr. Phillips denied that the company has any such plans.

Malcolm Salter of the Harvard Business School said that Volkswagen has some powerful reasons for continuing production in Westmoreland.

"Their production costs here are probably comparable to or less than in Germany," he said, "and even if they do have a slight accounting loss on U.S. production, their presence here amounts to a license to bring in higher-margin products like the Quantum, Audi and Porsche. It's good politically."

Ultimately, Mr. Phillips said, Volkswagen has to convince customers that its products are sophisticated enough technically to justify their prices. This is something that other West German manufacturers, such as Mercedes Benz and BMW, have done but that clashes with Volkswagen's historic image as an economy car.

Monday's NYSE Closing Prices

Tables include the nationwide prices up to the closing on Wall Street.

(Continued from Page 10)

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls. 100s	High	Low	Close Quot.	Ch'ge Prev Close
26⅝	7¾	Jamsw	.12	.5	13	193	26¾	24¾	25⅝	— ½
11¾	7¼	JapnF	1.11e	11.		287	9½	9¼	9⅜	
35	22⅝	JeffPil	1.68	5.1	8	312	33⅝	33⅛	33¼	— ¼
30	22	JerC pf	4	14.		z30	28	28	28	—1½
59	43¾	JerC pf 8.12		14.		z110	59	58	58	—1
57	41¾	JerC pf 7.88		14.		z200	57	57	57	
96½	80	JerC pf13.50		14.		z200	u97	97	97	+ ½
16⅞	12¾	JerC pf 2.18		14.		18	16½	16	16⅛	— ¼
50	30⅝	JewelC	2.48	5.5	6	664	46½	45	45½	—1
35⅝	24	JewlC pf				5	33½	33¼	33⅜	— ⅜
7⅝	3½	Jewlcr			175	58	7	6¾	7	+ ⅛
51⅛	33¼	JohnJn	1	2.2	16	3834	46⅛	45⅝	45⅞	— ½
43	17½	JohnCn	1.50	3.6	11	x97	42	41¾	42	+ ⅛
26¾	11½	JonLgn	.80	3.1	9	49	25½	25¼	25½	
30	18½	Jorgen	1	3.4	15	5	29¾	29¼	29¾	+ ⅛
29	16	Joslen	.92	3.7	12	284	25	24¾	24⅞	— ½
28½	19	JoyMfg	1.40	5.5	8	327	25¼	24⅞	25⅛	— ⅛
		— K—K—K —								
6¾	3½	KDI	.05e	.8	13	205	6⅝	6⅛	6½	— ⅛
63¾	29½	KLM				11	62¾	62	62¾	— ¼
31	15⅝	K mart	1	3.3	15	3774	30⅝	30⅛	30½	
20⅛	11½	KaisrAl	.60	3.2		637	19⅛	18¾	18⅞	+ ⅛
76	52½	Kai 57pf4.75		6.5		1	73½	73½	73½	—2½
27¾	15	KaisCe	.60	2.3	11	136	26⅝	26⅛	26⅝	+ ⅜
22¼	12½	KaiC pf 1.37		6.4		4	21¼	21¼	21¼	
43⅝	13¾	KaisrSt			139	766	40½	39⅝	40⅜	+1⅛
17½	10⅝	KaneMi	.28	1.7	10	3	16⅞	16⅝	16⅞	
19¼	11¾	Kanob	1.04	6.1	6	2218	17⅛	16½	17	
29⅞	22¾	KCtyPL	3.16	11.	7	202	28¾	28⅜	28⅝	— ⅛
33	25½	KCPL pf3.80		12.		z100	31⅛	31⅛	31⅛	+1⅜
38	29½	KCPL pf4.50		13.		z100	35	35	35	—1
19	14½	KCPL pf2.20		12.		2	18¾	18⅝	18⅝	
56⅛	24½	KCSou	.88	1.6	16	82	53¾	53¼	53⅝	+ ½

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls. 100s	High	Low	Close Quot.	Ch'ge Prev Close
		— M—M—M —								
30	11½	MACOM	.16	.6	38	1102	27	25½	26¾	+1¼
42½	23	MCA s	.88	2.3	10	864	38⅜	37½	37⅞	—1
32⅞	14⅝	MEI s	.36	1.3	15	55	28¾	28½	28½	— ¼
12⅝	5½	MGMGr	.44	3.9	18	236	11⅜	11⅛	11¼	
10⅛	6⅛	MGMGr pf.44		4.8		6	9¼	9⅛	9⅛	— ⅛
12	5	MGMUa	.22e	1.8	20	1301	11¾	11	11¼	
16½	11½	MGM H				724	14½	12⅞	13¼	— ¼
27⅜	11¾	Macmil	.70b	2.6	15	75	27	26⅝	27	+ ⅜
41½	20	Mcml pf1.20		2.9		2	41⅜	41⅜	41⅜	— ⅛
68½	30⅝	Macy s	1.20	1.8	13	380	65⅝	64⅝	65⅛	+ ¼
45⅝	20⅝	Macy wi				1	44½	44½	44½	— ½
41	29	Macypf	4.25	11.		z210	40¼	39½	39½	—1
24¼	14⅝	MdsFd	2.25e	12.		171	18¾	18⅛	18¼	+ ⅛
18⅛	17¾	MdsF wd				50	u18¾	18⅛	18⅛	
27⅝	7½	MagiCt	.48	1.9	20	195	25⅞	25⅛	25⅛	
29½	12⅝	MainH s	.76	2.7	15	149	28⅞	28⅛	28⅛	— ½
18⅜	7¼	MalAst			21	251	15⅛	14½	15¼	+ ⅜
17¼	10¼	Manhin	.30b	1.9	6	41	15⅝	15½	15⅞	+ ⅜
12⅞	5¾	ManhNl	.32	2.6	14	130	12⅝	12⅛	12½	— ⅛
27¾	8	ManCr	s.28	1.0	23	74	27½	27¼	27½	+ ½
45⅝	26	MfrHan	3.04	7.2	5	470	42½	42	42⅛	— ⅛
65¼	51	MfrH pf4.22e		7.4		23	59	57⅛	57½	—2
63⅝	49⅝	MfrH pf3.18e		5.8		601	55¾	55	55	— ½
14⅝	4¼	viManvl				332	12⅝	12	12⅛	— ⅜
34	12	viMnvl pf				53	24¼	23⅞	23⅞	— ⅜
33	28½	MAPCO	1.80	7.8	9	1255	23⅜	22⅞	23⅛	
4	1½	Marcde				43	3⅜	3¼	3⅜	+ ⅛
26	13⅝	MarMid	1.40	5.8	5	256	24	24	24	
63⅜	25¼	Marion	.64	1.1	51	x100	61⅝	60¼	60½	—1⅛
15⅜	6⅞	MarkC	.32	2.1	48	254	15½	15	15⅜	+ ⅛
21¼	11¾	Mark pf1.20		5.7		24	21	20⅞	21	+ ⅜
61⅞	32	Marriol	.36	.6	16	262	57⅜	56½	57	— ⅜
45	29⅝	MrshM	2.20	5.1	13	700	43½	42¾	43⅛	— ⅛

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls. 100s	High	Low	Close Quot.	Ch'ge Prev Close
25⅛	14⅛	NL Ind	1	6.0	6	1835	16⅞	16⅛	16⅝	+ ⅜
3½	1½	NVF				279	3	2⅞	3	
42¼	30½	NabscB	2.28	6.7	7	2275	34	33½	34	— ⅛
35	18	Nalco s	1.12	3.4	22	270	33⅝	32½	32½	— ⅜
15¼	7⅝	Napco	.24	2.2		45	11¼	10⅞	10⅞	— ⅜
30	11	NaplFd	.80b	2.9	22	40	27¾	27½	27½	— ½
19⅛	8⅞	Nashua				53	13⅞	13⅜	13⅞	
26½	15⅝	NatCan	1	3.8	8	24	26⅝	26¼	26⅝	+ ¼
47	28	NCan pf1.50		3.3		1	46	46	46	
20⅝	10½	NlCnv	s .54	2.9	14	323	19	18	18⅞	— ⅜
27½	18⅞	NatDist	2.20	8.2	13	205	27½	26½	26⅞	— ⅜
18⅞	13⅝	NDist pr1.85		10.		2	18⅛	18⅛	18⅛	— ⅛
40⅛	10	NatEdu			18	41	33¾	38¼	38⅜	— ⅛
33⅝	25¾	NatFG	3.16	10.	6	47	31⅝	31¼	31⅝	+ ⅜
22⅛	17	NFG pf2.30		11.		1	21½	21½	21½	
29⅞	16⅛	NatGyp	1.48	5.2	12	208	29	28⅜	28⅝	— ⅛
9⅜	1⅛	NtHom				647	u 9½	9⅛	9½	+ ⅜
17⅞	5½	NMdCre	.46	2.9	16	1284	16¼	15⅝	16	— ⅜
32½	17¼	NMdEn	.50	1.6	19	3815	32	31⅛	31⅞	— ⅛
13	6½	NMineS				65	35	8	7¾	— ⅛
35¼	19⅝	NPrst	s1.20a	3.6	9	41	33⅝	33½	33¾	+ ⅛
33⅜	13⅛	NSemi				2181	28¼	27⅝	28½	— ⅛
33	17¼	NtSvIn	s1.20	3.6	11	36	u33¼	33	33	+ ½
15½	7⅛	NStand				39	14⅝	14½	14½	
23¼	13⅞	NatlStl	.25	1.1		210	22¾	22¼	22¼	— ¼
25	16½	NatUl	n 2	7.8	11	11	u25½	25¼	25½	+ ½
21½	12¾	Natom	.80	5.2	24	5511	15⅞	15⅝	15½	— ⅛
36½	26¾	Natm pf	4	12.		12	34½	34⅛	34⅛	— ¼
27⅞	20⅞	NevPw	2.64	9.7	7	412	27¾	27⅜	27¼	— ½
19⅞	16½	NevP pf2.30		12.		z2220	19¼	19½	19¼	+ ⅜
16¾	12¾	NevP pf1.95		12.		2	16½	16½	16½	— ¼
17⅛	4⅞	NevSv	s		13	46	16⅜	16⅜	16⅜	— ⅛
36	26⅜	NEngEl	3.20	9.0	8	93	35⅝	35¼	35⅝	+ ⅛
26¾	20⅞	NEnP pf2.76		11.		2	26	26	26	+ ⅜

Other Markets

March 14

Closing prices in local currencies.

Amsterdam

	Close	Prev.
ABN	358.50	359.50
ACF Holding	134.00	138.00
AKZO	51.50	51.60
Albert Heijn	139.00	142.70
AMEV	118.50	118.00
Amrobank	52.80	52.50
A'Dam Rub	4.50	3.80
Boskalis	49.50	49.50
BVG	171.50	196.00
Buehrmann T	40.20	41.50
Caland Hldg	29.50	28.30
Elsevier	242.00	240.00
Ennia	139.00	141.00
Fokker	26.00	27.90
Gist Brocades	140.00	138.00
Heineken	126.80	127.30
H.V.A.	93.00	91.50
Hoogovens	23.70	23.60
K.L.M.	166.00	166.00
Naarden	33.20	32.90
Nat. Nedder	139.80	138.40
Nedllord	103.50	103.50
Oce Vander G	185.50	185.00
OGEM	0.36	0.38
Pakhoed	49.10	48.90
Philips	39.30	38.60
Robeco	266.50	266.00
Rodamco	126.80	126.70
Rolinco	249.50	249.30
Rorento	183.60	184.50
Royal Dutch	100.60	98.00
RSV	5.40	5.20
Unilever	203.80	202.50
Van Ommer	22.40	22.50
VMF-Stork	65.20	65.30
VNU	76.00	76.00

Anp-Cbs Index : 117.90
Previous : 117.00

Brussels

	Close	Prev.
Agfa-Gevaert	2,050	2,050
Arbed	1,264	1,260
Bekaert	2,300	2,310
Cockerill	100	103
EBES	2,170	2,140
GB-Inno-BM	2,800	2,825
GBL (B.lambl)	1,765	1,750
Hoboken	4,325	4,280
Kredietbank	4,940	4,810
Petrofina	4,705	4,670
Soc. Generale	1,510	1,500
Sofina	4,270	4,275
Solvay	2,470	2,470
Traction Elec	3,080	3,015
V. Montagne	4,305	4,305

Bourse Index : 277.03
Previous : 274.25

Frankfurt

	Close	Prev.
AEG	54.10	55.50
Allianz Vers	547.00	545.70
BASF	129.40	129.20
Bayer	127.80	128.70
Bayer Hypo	282.00	282.00
Bayer Verein	319.50	319.00
BMW	265.00	288.00
Commerzbnk	149.80	147.70
Cont. Gummi	79.40	78.80
Daimler	445.50	446.00
Degussa	255.00	253.00
Demag	172.00	174.00
D.Babcock	146.00	150.00
Deutsche Bk	291.50	291.50
Du. Schulte	250.00	249.00
Dresdner Bk	163.00	161.80
GHH	176.20	177.20
Hapag Lloyd	44.40	44.00
Hochtief	579.50	525.00
Hoechst	132.50	134.50
Hoesch	43.20	44.50
Holzmann	555.00	564.00
Horten	144.50	143.50
Kali u Salz	168.50	170.50
Karstadt	257.50	260.00
Kaufhof	242.00	243.00
KHD	240.00	244.90
Kloeckner	42.70	43.30
Krupp	61.00	64.00
Linde	337.50	338.70
Lufthansa	108.00	108.00
MAN	167.50	166.00
Mannesman	159.80	160.50
Metallgesell.	234.00	220.50
Muench. Ruck	553.00	552.00
Preussag	223.00	244.80
Rueigerswk	342.00	355.00
RWE.new	185.30	198.50
Schering	332.00	332.00
Siemens	299.50	299.70
Thyssen	74.90	74.50
Varta	169.00	188.50
Veba	149.40	149.50
VEW	130.20	129.50
Volkswagen	168.20	170.00

Commerzbank Index: 846.80
Previous : 844.40

Hong Kong

	Close	Prev.
Cheung Kong	10.20	10.50
China Light	14.70	14.70
Cross Harbor	11.30	11.50
Hang Seng Bk	64.50	63.00
HK Electric	6.00	5.90
HK Hotels	26.00	26.20
HK Land	4.50	4.50
HK Shanghai	9.20	9.20
HK Tel	38.75	36.75
HK Wharf	3.70	3.75
Hutch Wampo	14.00	14.30
Jardine Math	14.70	14.70
Jardine Sec	10.00	10.10
New World	3.50	3.60
Show Bros	9.50	9.50
SHK Property	6.75	6.85
Sime Darby	7.50	N.Q.
Stelux	2.30	2.35
Swire Pacific	12.40	12.00
Swire Prpty	6.25	6.25
Wheelock	3.75	3.80
Wheel Mar	2.25	2.10
Winsor	4.475	4.40
World Intl	1.65	1.67

Hang Seng Index: 1,032.37
Previous: 1,022.80

London

	Close	Prev.
AA Corp	$18¾	18⅛
Allied Brew	1.40	1.40
AngloAm Gld	1.18½	1.16
Babcock-Wil	1.38	1.37
Barclays Bk	5.05	5.03
Bass	3.17	3.17
BAT Ind.	4.45	4.55
Beecham Gp	3.91	3.91
BICC	2.78	2.83
BL	0.31	0.30
BOC Int'l	2.07	2.08
Boots	2.65	2.65
Bowater	1.92	1.92
BP	3.28	3.20
Brit.Home St	2.18	2.18
Burmah	1.33	1.32
Cadbury Sc.	1.18	1.22
Charter Cons	2.26	2.28
Coats Patons	0.68	0.68
Cons.Gold Fds	4.91	4.87
Courtaulds	0.92	0.93
Dalgety	3.38	3.38
De Beers	$7.52	7.40
Distillers	2.32	2.37
Driefontein	$32¼	31.00
Dunlop	0.45	0.45
Fisons	5.68	5.65
Free St Ged	43¼	42¾
GEC	2.02	2.05
GKN	1.51	1.46
Glaxo	7.00	6.95
Grand Met	3.50	3.49
Guinness	1.11	1.11
GUS	5.53	5.58
Hanson Trust	1.97	1.97
Hawker-Sidd	3.98	3.96
ICI	3.98	3.92
ICL	0.82	0.82
Imps	1.11	1.13
Lloyds	5.20	5.13
Lonrho	0.84	0.83
Lucas	1.74	1.69
Marks-Spenc	1.94	1.99
Metal Box	1.92	1.92
Midland Bk	4.13	4.13
Natl West Bk	6.03	5.93
Pilkington	2.18	2.15
Plessey	5.67	5.71
Randfontein	$129½	127½
Rank Org.	1.56	1.58
Reed	2.98	3.00
Royal Dutch	25.18	24.58
RTZ	5.17	5.19
Shell	4.48	4.40
Stand Charter	4.87	4.89
Tate & Lyle	2.96	2.96
Tesco Stores	1.34	1.32
Th.Tilling	1.47	1.47
Thorn (A)	4.90	4.93
Trafalgar H	1.71	1.70
TrustHousesF	1.69	1.68
TI Group	1.72	1.68
Ultramar	4.77	4.47
Unilever	8.32	8.30
Untd Biscuits	1.45	1.43
Vickers	1.19	1.18
War Loan 3½	35¾	35½
W. Deep	$54½	53¾
W. Holding	$51¼	49¾
Woolworth	2.56	2.58
ZCI	0.24	0.25

F.T. 30 Index : 665.80
Previous : 663.30

Milan

	Close	Prev.
Bca Commerc	34,200.	35,000.
Bastogi	279.00	286.00
Centrale	2,693.00	2,588.00
Credito Ital	4,050.00	4,095.00
Fiat	2,660.00	2,599.00
Finsider	46.75	46.00
Generali	127,500.	128,000.
IFI	4,954.00	4,820.00
Italcementi	38,440.	38,200.
LaRinascente	356.25	357.25
Mediobanca	65,500.	66,200.
Montedison	141.50	142.00
Olivetti	2,805.00	2,859.00
Pirelli	3,150.00	3,050.00
Snia Viscosa	1,089.00	1,018.00
Standa	4,500.00	4,520.00

BCI Index : 204.03
Previous : 205.46

Paris

	Close	Prev.
Air Liquide	456.00	455.00
Alsthom Atl.	146.00	145.50
Av.Dassault	456.00	455.00
Bancaire	295.00	299.00
Bic	463.00	473.00
Bouygues	701.00	702.00
BSN-GD	1,496.00	1,503.00
Carrefour	1,325.00	1,310.00
Club Mediter	560.00	560.00
Cofimeg	150.10	150.00
Creusot Loire	55.50	55.00
Dumez	669.00	669.00
Eaux (C Gie)	260.00	262.90
Elf-Aquitaine	121.90	122.50
Europe 1	648.00	662.00
Hachette	797.00	785.00
Imetal	49.00	48.50
Lafarge Cop	275.50	278.00
Legrand	1,730.00	1,772.00
Machines Bull	44.70	44.80
Matra	1,200.00	1,235.00
Michelin	830.00	844.00
MM Pennar	43.50	43.70
Moet Henn	995.00	917.00
Moulinex	78.00	79.00
Nord-Est	48.75	49.20
Occidentale	481.00	487.00
Oreal (L')	1,293.00	1,292.00
Pernod Ric	442.10	445.00
Petroles(Fse)	149.50	151.80
Peugeot	171.50	171.00
Poclain	94.50	94.00
Printemps	116.00	118.50
Radiotechn.	367.00	361.50
Redoute	873.00	879.00
Roussel Uclaf	286.00	295.00
Sacilor	11.70	12.00
SkisRossignol	774.00	760.00
Sour Perrier	247.00	244.00
Telemecan	980.00	990.00
Thomson CSF	172.00	171.00
Usinor	1.69	1.71
UTA	215.00	215.90
Valeo	251.00	251.50

Agefi Index : 126.40
Previous : 126.96

Singapore

	Close	Prev.
Boustead	2.13	2.15
Cold Storage	N.T.	4.86
DBS	8.85	8.95
Fraser Neave	7.35	7.45
Haw Par Bros	2.74	2.79
Inchcape	2.82	2.86
Keppel Ship	4.22	4.28
Malay Bnking	7.50	7.70
OCBC	10.10	10.30
OUB	4.62	4.72
Semb Shipyd	2.82	2.84
Si Steamship	2.11	2.17
St Trading	6.10	6.15
U Engineers	1.37	1.39
UOB	4.30	4.32

Fraser Ind. Index : 4,767.71
Previous : 4,845.69

Sydney

	Close	Prev.
ACI	1.90	1.89
ANI	2.20	2.15
ANZ Bk	3.38	3.38
Boral	2.53	2.54
Bougainville	2.40	2.40
Brambles	2.40	2.44
Broken Hill P	6.30	6.38
Coles	N.A.	2.40
CSR	2.66	2.65
Comalco	2.25	2.38
CRA	4.58	4.50
Elder Smith	2.65	2.73
EZ Ind.	5.54	5.54
Hooker	1.12	1.12
Magellan	1.80	1.83
MIM Hldgs	4.18	4.27
Myer Emp	1.38	1.35
Oakbridge	1.07	1.05
Pio Wallsd	5.80	5.94
Poseidon	4.40	4.45
Renison Gold	3.75	3.70
Robe River	1.20	1.20
Santos	4.40	4.45
Sleigh	0.30	0.30
Southland	0.22	0.22
Woodside Petl	0.67	0.68
Wormald	2.74	2.75

All ordinaries Index : 513.40
Previous : 515.30

Tokyo

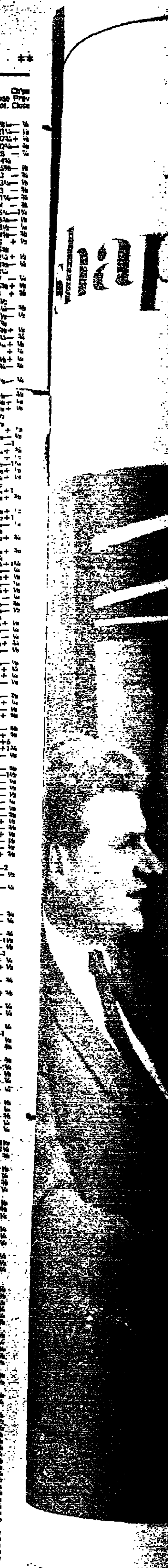
	Close	Prev.
Akai	443	440
Asahi Chem.	275	279
Asahi Glass	562	561
Bk Tokyo	391	391
Bridgestone	475	475
Canon	1,250	1,190
Dai Nip. Print	715	722
Daiwa	532	535
Fuji Bank	500	500
Fuji Photo	1,700	1,660
Fujitsu	955	937
Hitachi	783	765
Honda Motor	825	798
IHI	157	157
Itoh	304	307
JAL	2,400	2,390
Kajima	325	325
Kansai Pwr.	1,000	1,010
Kao Soap	548	548
Kaw Steel	152	152
Kirin Brew	386	385
Komatsu	484	484
Kubota	321	321
Matsu EL Ind.	1,250	1,300
Matsu El Wks	590	593
Mitsubishi Bk	500	500
Mitsubi Chem.	232	233
Mitsubi Corp.	507	507
Mitsubi Elec	367	359
Mitsub Heavy	217	216
Mitsui Co.	363	365
Mitsukoshi	348	348
Mitsumi	592	591
Nikko Sec	403	403
Nippon Elec.	971	954
Nippon Steel	164	163
Nippon Yusen	244	245
Nissan Motor	736	735
Nomura	675	660
Olympus	1,170	1,100
Ricoh	727	700
Sharp	1,260	1,230
Sony Corp	3,330	3,340
SumitBank	500	500
Sumit Chem.	158	158
Sumit Metal	159	161
Taisei	231	227
Taisho Mar	237	235
Takeda	874	857
Teijin	235	234
Tokyo El Pwr	1,150	1,120
Tokyo Marine	491	491
Toray	348	349
Toshiba	327	330
Toyo Kogyo	400	397
Toyota	1,020	985
Yamaichi	392	390

New Index : 594.88
Previous : 592.85
Nikkei-DJ Index : 8,089.83
Previous : 8,044.28

Zurich

	Close	Prev.
Alusuisse	618	618
Bk Leu	4,000	4,050
Br Boveri	1,125	1,110
Buehrle	1,330	1,330
Ciba Geigy	1,750	1,755
Cr Suisse	1,940	1,985
Elektrowatt	2,680	2,710
Fisher	550	550
Hoff-Roche B	7,850	8,000
Suchard	5,825	5,900
Jelmoli	1,570	1,570
Landis Gyr	1,000	1,010
Nestle	3,850	3,840
Sandoz	4,900	4,875
SBS	321	332
Schindler	1,950	1,950
Sulzer	N.Q.	—
Swissair	793	795
UBS	3,170	3,170
Winterthur	2,940	2,950
Zurich Ins.	17,800	17,825

SBC Index : 328.50
Previous : 329.10



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How The Morgan Bank shapes successful syndications around the world

Five of Morgan's London-based syndications specialists are, from left, Robert Gray, who heads the group, Janet Mitchell, Miriam Raney, Victor Brunello, Benjamin Weston.

When a corporation, a government, or a government agency seeks a major syndicated financing, it wants innovative ideas and professional execution. When it turns to The Morgan Bank it gets these—and a lot more.

There's the Morgan banker, who specializes in wholesale banking. There's our internationally respected team of syndications specialists. And there's Morgan's major presence in international money and capital markets. Last year The Morgan Bank was alone in ranking among the top 10 lead managers worldwide in both Eurobond and syndicated loan transactions.

So we know where the money is, and we're able to commit large sums for our own account.

Access to new techniques

Delivering these unusual strengths to major borrowers is the joint responsibility of Morgan's worldwide staff of banking officers and the international syndications group.

Continuous communication between the two means that major borrowers receive regularly updated information on a broad range of financing techniques. In addition to syndicated Eurocurrency loans, these may include floating-rate capital market transactions, loans denominated in composite currencies such as European Currency Units and Special Drawing Rights, or interest rate and currency swaps.

Banks and borrowers benefit

Our standing with other international lenders is especially important to borrowers. Putting together a major financing requires not only knowledge of the sources of funds, but access to them, and informed judgment in choosing among them. This ensures that term, maturity, and other conditions will be tailored to the purpose of the loan and to market conditions.

Participating banks also value our knowledge of the total syndications market, our skill in coordinating and executing financings, and our thoroughness in preparing loan documentation.

Morgan Syndications specialists are headquartered in London, New York, and Hong Kong. Acting with speed and discretion, they help clients around the world meet a wide range of credit requirements. These include short-term capital loans to finance trade, medium-term revolving credits for corporations or for countries with development needs, and longer-term financing for projects which generate funds for repayment.

Call any Morgan office

Learn more about how The Morgan Bank's combination of expertise and financial resources can help you meet major syndication needs. Talk with the Morgan officer who calls on you, or contact us through any of our offices, worldwide. Member FDIC

The Morgan Bank

Monday's AMEX Closing Prices

Tables include the nationwide prices up to the closing on Wall Street.

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls. 100s	High	Low	Close	Ch'ge Close Prev
		— A—A—A —								
4⅜	2¼	AIC Ph				4⅜	4⅜	4⅜	4⅜	
3⅝	1	ATI			14	177	3⅝	3⅝	3⅝	
4⅛	1½	AcmePr			19	10	4⅛	4	4⅛	
21½	12¼	AcmeU	.40	2.0	19	6	20½	20½	20½	-½
22¾	5¾	Action			6	132	21¼	19¾	21¼	+1½
9⅞	3½	Action s	.10t	1.3	29	8	7¾	7½	7½	-½
3½	⅞	Action wt				4	1⅞	1⅞	1⅞	
6½	1¾	AdmRs	.10	4.5	15	2	2⅜	2⅜	2⅜	
27½	12	AdRusl	s.10		45	255	25½	25½	25½	-½
12⅞	11⅛	Adobe	.20	1.2	11	39	16⅝	16½	16⅝	-⅛
3⅝	2	AegisCo			9	259	3⅛	3	3⅛	+⅛
21½	7¾	Aerofin	1.55t	7.6	18	61	20⅝	20	20⅝	-⅝
6¾	2½	Aeronca			10	101	5⅝	5½	5⅝	+⅛
21⅝	9¾	AlliHsp	.32	1.7	9	3	19⅝	19½	19½	-½
38½	16	AllPe s	.64	2.2	15	30	29½	29¼	29½	+½
10	3⅝	AllSt			8	54	9⅝	9⅝	9⅝	+⅛
15½	4⅞	AirExp				12	13⅝	13⅝	13⅝	-⅛
15⅝	3⅝	Alberto	.10e		.7278	63	14⅛	13⅝	13⅞	-½
18⅝	5⅛	AlmSt			2.1244	3	9⅝	9⅝	9⅝	-⅛
10⅝	5⅛	AlohaA				39	9⅝	9¼	9¼	
34⅝	10¼	Alpnat s	.30	.64		24	22⅞	22⅝	22⅞	-⅛
15⅝	7¾	Altamnt	.40	2.8	12	8	14⅝	14⅝	14⅝	-⅛
1⅞	⅞	Altec				16	1⅛	1	1⅛	
6	4⅝	Altec pf				7	5⅝	5½	5⅝	
1⅝	1⅛	Altes				68	1½	1⅜	1½	+⅛
7-16	1-16	Altn 63wt				4	⅛	⅛	⅛	
44½	17¼	Amdhl	.40	1.1	151	418	37⅛	36⅝	37⅛	-⅛
29⅝	6¼	Amedc	s.12	.5	26	66	25½	24⅝	25½	+½
5	3½	ABIL n				141	4⅝	4⅝	4⅝	-⅛
7⅝	2	AmCap				77	3⅛	3⅛	3⅛	-⅛
31¼	17¼	ACentr	.80	2.6	8	3	30⅝	30⅝	30⅝	-⅛
28	8½	AExp wt				137	26½	25⅝	25⅝	-⅝
15½	5¼	AIsrael			4	11	5⅝	5⅝	5⅝	+⅛
15	8	AMcnA	.32	3.8	12	51	13⅝	13⅝	13⅝	+½
14⅝	8	AMcnB	.32	3.9	11	1	13⅝	13⅝	13⅝	
21⅝	4⅝	AMdBld				693	21½	19	21⅝	+7⅝
31⅝	14¼	AMetin	.25	.9	13	43	29⅛	28⅝	29⅛	+⅛
63⅝	50½	AmPetr	3.20	6.1	10	8	53	52½	52½	-⅝
7⅝	2¼	APlan			13	13	6⅝	6½	6⅝	
15	8½	APrec	.32	2.4	10	7	13⅝	13½	13½	-⅛
6⅛	3⅝	AmRity			20	5	5½	5½	5½	
6½	3⅝	ASCIE				50	5⅝	5⅝	5⅝	
4⅝	2⅛	AWell n			7	23	3⅝	3⅝	3⅝	
2⅝	1	Amest n			21	39	1⅛	1⅛	1⅛	+⅛
26⅝	8⅞	AmEJcb	.63t	3.5	35	48	18½	17⅝	18	-⅝
22½	9⅝	Andrea	.72	3.3	26	18	22¼	22	22½	+⅛
10⅝	3⅝	AngleE				42	5⅝	5	5⅛	
19½	10¼	Anthm	n.08e	.43		30	19	18½	19	
49⅝	17¼	APlDig	.97t	2.0	22	70	49⅝	48¼	48½	-⅝
8⅝	4½	ArgoPt				88	5⅛	4⅝	5⅛	+¼
19⅝	4⅝	Armtn			9	16	10½	10	10⅝	-⅛
12⅝	6	ArrowA	.20	1.7	18	24	12	12	12	-⅛
14⅝	5⅝	Arundl			4	322	13⅛	12⅞	12⅞	+⅝
26⅝	6¾	Asamr	g.40		203	312	24½	23⅝	24⅝	
14½	6½	Astrex			19	19	10	9	9	
7⅝	1⅞	AstrDr				23	1⅝ d	1⅜	1⅜	-⅛
4⅝	1¾	AtlsCM				103	3⅛	3⅛	3⅛	
7⅝	3⅝	Atlas wt				13				
28⅝	10	AtlasV	.24	1.0	11	43	23½	23	23½	-⅛
7⅝	4	Audiot	.16	2.4	26	90	6⅞	6⅝	6⅝	
17	9⅝	AVEAIC	.58	3.7	9	20	16	15⅝	15⅝	
32	15	Avondl	1.20b	3.9	10	43	31	30⅞	30⅞	-⅛
		— B—B—B —								
49⅝	16⅛	BDM	.17	.3	26	88	u50⅝	48⅝	50½	+2½
4⅝	1⅞	BRT			12	34	3⅝	3⅝	3⅝	-⅛
7⅛	2⅛	BTK			72	59	5⅝	5⅝	5⅝	-⅛
9⅞	5¼	Badger			21	93	9⅛	9⅛	9⅛	-⅛
8	5⅝	BaldwS	.32a	4.4	2	7	7¼	7¼	7¼	
11¼	7½	BallynM	wt		9	8	8¼	8¼	8¼	-⅛
26⅞	16½	BanFd	.5e	.20	4	u25½	25	25½	+½	
8⅝	4⅝	Banstr	g.60e		84	79	7½	7⅝	7½	-½
10⅝	6¼	BnkBld	.40	4.3	8	9	9½	9½	9½	
6	2⅝	Barco	.12	2.5	11	17	4⅞	4⅞	4⅞	
6	2¼	BarnEn				24	4¼	4¼	4¼	+⅛
12¼	8⅝	Barnwl	.20	2.3	9	14	9½	8⅞	8⅞	-⅛
6	2¼	BarvRG				13	3⅝	3⅝	3⅝	
10⅝	6⅝	Barnes	.43t	5.1	9	21	8⅝	8½	8½	+⅛
8⅝	3¾	Beard	.08	1.8		29	4⅝	4½	4½	
9⅝	5½	BeefCh	n		11	514	9½	8⅞	9½	+⅛
11⅝	3⅛	Beehiv				116	10¼	10¼	10¼	-⅛
4½	2⅞	Behrm	n			16	4½	4½	4½	
2⅛	11-16	Beitr wt				3	1⅜	1⅜	1⅜	
23⅝	13⅛	BnfStdA	.40	2.2	13	55	17⅞	17⅞	17⅞	+⅝
23⅝	13	BnfStdB	.40	2.3	13	4	17⅝	17⅝	17⅝	+⅝
12⅝	2⅝	BevPC	s		21	102	u20½	19⅝	19⅝	
31⅝	12¼	BergB	s		21	96	30½	30	30½	-⅛
5⅝	2⅝	Berry				32	2⅞	2⅝	2⅝	+⅛
6⅛	3½	BethCp	.48t	8.9	10	5	5⅝	5⅝	5⅝	+⅛
13	7½	BlcCrd	.40	4.5	12	161	u13⅞	13⅛	13⅝	+⅝
19⅞	7¾	BlgV s	.40	2.2	12	45	18⅝	18⅛	18½	+⅛
6⅝	3⅞	Billrite n	.15	2.4		14	6⅛	6⅛	6⅛	
23⅝	14⅞	BinkWl	1.20	5.2	11	24	23	22⅞	22⅞	
13⅝	6	BirB	s			34	26 u14½	12½	14⅛	+⅛
14	5⅞	BioR A				34	31	14	13⅝	14
25⅝	8½	Blessng	.56	2.8	9	9	24¼	24	24	
7⅝	2⅛	BlockE				32	3	2⅞	3	-⅛
34	10¼	Boatrl	.60	1.8	14	17	33½	32⅝	33⅝	-⅛
34⅝	15½	Bolar n	.05b	.2	39	126	33⅝	33¼	33¼	-⅛
40⅝	12¼	BollBer	.28	.8	36	61	37⅝	36⅞	37	+⅛
16⅝	8	BowVal	.15	1.1		44	14	13⅝	14	+⅛
9⅝	5⅝	BowlA	.40	4.4	6	7	9	9	9	+½
6⅝	2⅝	Bowmr				198	6¼	6	6¼	-⅛
20½	9¼	Bowne	.36b	1.8	17	44	20	19⅝	20	+⅛
20⅝	6½	BrdcNt				196	15⅝	15⅝	15⅝	-⅛
2⅝	⅞	Brnch				27	2⅛	2	2⅛	
23¼	9½	Brscan	g1.60a		58	23	22⅝	22⅝	22⅝	-⅛
29⅝	21⅝	BrownE				22	29⅝	29	29	-⅛
8½	4⅝	BrsDrt	.20	2.8	7	7	7⅛	7⅛	7⅛	
43	29½	BrnFd	.88	2.6	9	68	34	33⅛	34	+1
45⅛	29⅝	BrnFB	.88	2.5	10	104	35½	34⅝	35⅛	+⅛
4⅛	2	BrnF pf	.40	.10		30	3⅝	3⅝	3⅝	+⅛
5¼	2⅝	Buckhn			18	9	4⅝	4½	4½	

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls. 100s	High	Low	Close	Ch'ge Close Prev
6½	3⅝	Buckh pf	1.50	9.5		2	5¼	5¼	5¼	-⅛
15⅝	7⅞	Buell	.40	2.9	11	1	13⅝	13⅝	13⅝	-⅛
		— C—C—C —								
13⅝	7¾	CDI			8	11	11⅝	11⅝	11⅝	
12⅝	4¼	CHB	.10r	.8	10	59	12⅝	12	12⅝	
12½	7⅝	CMI Co	.05e	.6	87	6⅝	8½	8½	8½	-⅛
26	13½	CRS	.24	1.4	9	20	23½	23¼	23½	
11¾	4¾	CasesNJ			14	39	11¾	11	11⅝	-⅜
4⅝	2⅛	CagleA				45	4⅝	4⅝	4½	-⅛
22¾	12¾	CalFPC	.60	3.0	10S	19	19⅞	19⅝	19⅝	+⅛
11½	7⅝	CalRE	1.08	9.4	11	1	11½	11½	11½	
17	6	Camco	.24	1.9	5	141	12⅞	12¼	12½	-⅜
6½	2½	Camoil				26	6⅝	6	6	-⅛
11½	9⅛	CmpR g				88	9⅝	9	9⅝	+⅛
52½	24¼	CdMar	9.86			14	48⅝	48⅝	48⅝	
14½	7⅞	CdnOcc	.36			2	11⅝	11⅝	11⅝	-⅜
4½	2	Cardill				47	4⅝	3⅞	4	
5	2⅝	Cardil				26	4½	4⅝	4½	+⅛
26½	7⅝	Caresp	.60	2.3	11	30	26	25⅝	26	+⅜
46	33¾	CarolP	pf 5	12.		u5010	43⅝	43½	43⅝	-⅛
10⅝	5	CaroEl	s		10	69	10⅛	10	10	-⅛
16⅝	3⅛	Casblan				75	16	15½	15⅝	+½
8⅛	1⅝	Casbl	wt			4	8	8	8	+⅛
15⅝	11⅛	CastAM	.60	3.8	123	1	u16	16	16	+⅛
15⅞	11½	Castln	n		21	87	14⅝	13⅝	13⅝	-⅛
16½	5	CelsCh			13	188	u15⅞	14⅝	15⅝	+⅞
1⅝	11-16	Centem				14	1⅝	1⅝	1⅝	-⅛
2⅛	1½	Cent pf				5	1⅞	1⅞	1⅞	
38	22¼	CenMt	pf3.50	12.		210	28⅝	28⅝	28⅝	
12⅛	7	CentSe	1.45e	.15		117	10⅝	10⅝	10⅝	
8¼	3⅝	Cetec	.14	2.0	20	81	7⅝	7⅝	7⅝	
14⅝	6⅝	ChadMl	.80a	.6	4	10	13½	12⅝	12½	-⅛
4⅝	2¼	ChmpH			27	589	3⅝	3⅝	3½	-⅛
14⅝	9⅝	Chmpn	.72	5.6	28	20	13	12⅝	12⅝	
35⅝	12½	ChrnA	s.25	6.0	21	42	34½	34⅝	34⅝	-½
35½	12⅝	ChrM B	s		21	1	34	34	34	+⅛
17½	10⅝	ChlRiv	1.60	9.8	31	52	16⅝	16⅝	16⅝	-⅛
21¼	13	ChrlD	s			210	19⅝	19½	19½	-½
25¼	3¾	Chilm s	.18	.8	22	119	25	22⅝	22⅝	-½
17⅝	8	CircTk	.74	4.2		60	17⅝	17⅝	17⅝	
13⅝	7¼	CliFirst	.20	2.3	6	2	11½	11½	11½	-⅛
22½	12	CivGas	1.20	6.1	9	14	19⅝	19⅝	19⅝	-⅜
27⅝	18	Clarml	1a1le	5.3		2	26½	26½	26½	+⅛
7⅝	5	ClarkC	.20e	2.9	44	7	7⅛	7	7	-⅛
20⅝	9⅝	Clanad	.30e	1.6	13	22	19⅝	18⅝	19⅝	+⅝
17	9⅝	Clausne	.92	5.5	11	13	17	16⅝	16⅝	+⅛
16	6	Clopay	.16		9	16	19½	u18	16¼	+17⅝
8⅛	3⅝	Cohu	.16		22	22	17	7⅝	7⅝	-⅛
46⅝	26	Comln g	.40			7	42⅝	40	40	-⅝
28⅝	12⅝	ComAll	.50	1.8	12	21	28	28	28	-⅛
7	3	ComdrC				152	7⅛	7⅛	7⅛	
7⅝	3⅝	ComRd	.20	2.7	18	76	7⅝	7⅝	7⅝	+⅛
9⅛	4½	ComPD			9	15	8⅝	8½	8½	-⅛
44	17¼	CmpCn			30	20	38⅝	38⅝	38⅝	-⅛
12⅛	5⅝	Conchm		3.1		32	u12⅝	12⅝	12⅝	+⅛
6½	3	ConcIP			18	3	6⅛	6	6⅛	
15⅛	6⅝	Condec	.36t	2.6		50	14½	14⅝	14½	
8⅝	4⅝	Conrly			9	4	7⅝	7⅝	7⅝	-½
20⅝	11½	ConrH			26	6	19	18⅝	19	+⅛
7	3¼	Consst			36	106	6⅛	6⅛	6⅛	-⅛
3¾	1¼	Cons wt				32	2	2⅝	2⅞	-⅛
21	11½	Contrack	.60	2.8	20	2	21⅝	21⅝	21⅝	+⅝
26	8	Conray	.40	1.6	14	4	24⅝	24⅝	24⅝	-⅛
10½	5¼	ConsOG				71	5⅞	5⅝	5⅞	
15-16	⅜	ConOG	wt			105	½	½	½	
17⅝	6⅝	ContMtl			27	17	17⅝	17⅝	17⅝	+⅛
9¼	6¼	CookInt	.50e	6.3	19	1	8	8	8	
8½	2	Corodn				156	6⅝	5⅝	6	-⅜
28⅝	8¾	CorlLb	.16	1.3	21	13	12⅝	12½	12½	-⅝
8⅝	5⅝	CrnCrk	n.18r	2.1	45	332	8⅝	8⅝	8⅝	+⅛
5⅛	2½	Cnwtrd				10	3⅝	3⅝	3⅝	
6⅝	3½	CrstFo	.10e	1.6	11	30	6⅝	6⅝	6⅝	-⅛
15⅝	8½	Crompl				19	14⅝	14⅝	14⅝	+⅜
33½	20⅝	Cross	g 1.10	4.1	15	15	27½	26⅝	26⅝	-⅝
15⅞	6⅞	CrowVl	.50	3.3	8	5	15⅛	15⅛	15⅛	+⅛
19⅞	11⅛	CwnCP	.80	4.2	21	12	19½	19	19	+⅛
16⅝	10½	CwCP B	.80	4.9	18	79	16¼	16	16¼	-⅛
24⅝	16½	CwCP	pf1.92	8.0		7	24	23⅝	24	+⅛
16⅞	5⅝	CrutcR			11	158	6⅝	6	6	-⅛
19	10	CrystO	.36	2.5	23	129	14⅞	14⅛	14½	-⅛
38¼	11⅞	Cubic	s .36	1.2	14	u285	29½	28½	29½	+⅛
26	15½	Curtice s			7	20	23	23	23	-⅛
13⅛	5⅝	CustEn				119	13⅝	13⅝	13	
1⅝	¼	Cvorus				1279	1½	1⅜	1½	
		— D—D—D —								
3½	2⅛	DWG	.28t	8.6	5	150	3⅛	3⅛	3⅛	
13½	6⅝	DaleEn	.32	2.6	13	87	12½	12⅛	12⅝	-⅛
8⅝	5½	Damson			11	63	7½	7	7	-⅛
7⅝	3⅝	Damrl wt				4	3⅝	3⅝	3⅝	
28⅝	23½	Dams pf3.75		14.		17	27⅝	27½	27⅝	+⅝
41½	15⅝	Datapd	.36	.8	30	229	36⅝	36¼	36¼	-⅛
20½	7⅝	DatPd	wt			5	18⅝	18¼	18¼	-⅝
11⅝	5⅝	Datarm			17	46	10⅝	10⅛	10⅛	+⅛
8	2⅝	DeRose			25	256	u 9	8	8⅝	+1⅝
4⅝	1⅛	Decorat				7	4⅛	4	4⅛	
24½	14⅝	DelLob	.60	2.7	9	2	22⅝	22⅝	22⅝	-⅛
13⅝	10⅝	DVal n	1.68	7.1	8	x14	13⅝	13⅝	13⅝	+⅛
13¼	4⅝	Delmd	n		114	375	12⅝	12⅛	12½	-⅜
29⅝	16⅝	Deptl	s1.40a	4.9	7	4	28⅝	28⅝	28⅝	+½
5¼	3	DesgnJ			16	35	u 5½	5½	5½	+⅛
29⅝	18⅝	DetCr			39	27	27⅝	27¼	27⅝	+⅝
22⅝	7⅝	Digicon			4	81	11⅛	11	11	-⅛
75½	24⅝	Dillard	.40	.5	16	21	u77	76½	77	+1⅝
4⅝	15-16	Diodes			94	55	3⅝	3⅝	3⅝	+⅛
5	2⅝	Dixies				34	4	3⅞	3⅞	+⅛
9½	2 1-16	DomeP				2728	3⅛	3	3 1-16	
21	11⅝	Dontr g	1		6	21	21	21	21	
18⅝	10	DorGas	.16	1.5	11	253	11	10⅝	10⅝	-½
14⅝	7¼	Dpnhr	.20b	2.5	13	21	12	11⅞	12	
10⅝	3¼	Downey	.28	2.9	8	8	9⅝	9⅝	9⅝	+½
15	3⅞	Driller			5	15	4½	4½	4½	-⅛
34½	18½	Ducom	.70	2.1	24	11	33	32⅞	32⅞	-⅜
1½	⅝	Dunlop	.07e	9.3		135	⅝	11-16	⅝	

(Continued on Page 15)

Grains

	Open	High	Low	Close	Chg
WHEAT					
5,000 bu minimum; dollars per bushel					
Mar	3.81¾	3.81¾	3.81¼	3.80½	-.00½
May	3.81½	3.83¼	3.81½	3.82¾	+.01¼
Jul	3.84	3.85	3.82	3.84¾	+.01
Sep	3.86½	3.87½	3.86½	3.87½	+.00½
Dec	3.91½	3.91½	3.91¼	3.91½	+.01½
Prev. sales 1,475.					
Prev day's open int 5,126, up 323.					
SUNFLOWER SEEDS					
100,000 lbs.; dollars per 100 lbs.					
No open contracts.					
CORN					
5,000 bu minimum; dollars per bushel					
Mar	2.75	2.77¾	2.73½	2.77¾	+.03¾
May	2.83¾	2.87½	2.83	2.87	+.04¼
Jul	2.88½	2.93	2.88	2.92½	+.04¼
Sep	2.87	2.91	2.87	2.90¾	+.03½
Dec	2.90	2.92½	2.88¾	2.92¼	+.02¼
Mar	2.96½	3.01	2.97½	3.00¾	+.01½
May	3.04¾	3.08	3.05	3.06½	+.01
Prev. sales 51,584.					
Prev day's open int 160,337, off 346.					
SOYBEANS					
5,000 bu minimum; dollars per bushel					
Mar	5.77	5.79	5.71	5.77½	+.06
May	5.83½	5.93	5.84	5.91¼	+.07
Jul	5.96½	6.05	5.95½	6.03¾	+.08
Aug	6.00½	6.10	6.00½	6.08½	+.08½
Sep	6.05½	6.14	6.01	6.11	+.07½
Nov	6.15½	6.24½	6.14½	6.24	+.09½
Jan	6.27	6.36½	6.26½	6.36	+.09½
Mar	6.39½	6.49	6.39	6.49	+.10
May	6.53	6.60	6.53	6.60	+.09½
Prev. sales 29,661.					
Prev day's open int 78,637, off 1,628.					
SOYBEAN MEAL					
100 tons; dollars per ton					
Mar	170.00	172.50	169.80	171.50	+1.30
May	174.60	175.90	174.00	175.60	+1.30
Jul	177.70	178.90	177.20	178.90	+1.70
Aug	179.00	181.00	179.00	181.00	+2.00
Sep	181.50	183.00	180.70	182.90	+1.90
Oct	182.00	184.00	182.00	183.90	+1.80
Dec	186.00	188.70	186.00	188.50	+2.20
Jan	188.00	190.50	188.00	190.40	+2.40
Mar				196.80	+2.30
Prev. sales 8,985.					
Prev day's open int 45,614, off 182.					
SOYBEAN OIL					
60,000 lbs.; dollars per 100 lbs.					
Mar	16.81	17.13	16.78	17.09	+.33
May	17.07	17.39	17.04	17.36	+.33
Jul	17.48	17.76	17.43	17.73	+.34
Aug	17.65	17.90	17.65	17.87	+.30
Sep	17.72	18.00	17.72	18.00	+.31
Oct	17.85	18.15	17.85	18.13	+.36
Dec	18.15	18.40	18.15	18.46	+.34
Jan	18.47	18.60	18.45	18.60	+.30
Mar				18.80	+.30
Prev. sales 6,724.					
Prev day's open int 50,977, off 1,240.					
OATS					
5,000 bu minimum; dollars per bushel					
Mar	1.51¼	1.53	1.50¼	1.53	+.02¼
May	1.59½	1.59½	1.54½	1.59	+.02¼
Jul	1.62¼	1.65	1.62½	1.65	+.02¼
Sep	1.69¾	1.71	1.69¾	1.71	+.02¼
Dec	1.80¼	1.81½	1.79½	1.81½	+.02¼
Prev. sales 892.					
Prev day's open int 7,856, up 168.					

Livestock

	Open	High	Low	Close	Chg
CATTLE					
40,000 lbs.; cents per lb.					
Apr	65.95	66.15	65.65	66.10	+.23
Jun	66.27	66.80	66.07	66.57	+.42
Aug	64.32	64.90	64.15	64.82	+.45
Oct	62.40	62.65	61.70	62.55	+.28
Dec	62.95	63.00	62.55	63.00	+.03
Feb				62.80	
Prev. sales 23,540.					
Prev day's open int 63,862, up 1,493.					
FEEDER CATTLE					
44,000 lbs.; cents per lb.					
Mar	71.90	72.00	71.60	71.97	+.07
Apr	70.90	71.10	70.50	70.95	+.13
May	68.85	69.25	68.47	69.22	+.40
Aug	67.90	68.15	67.40	68.15	+.40
Sep	67.00	67.15	66.80	67.15	+.30
Oct	66.50	66.50	66.25	66.50	+.35
Nov	66.60	66.90	66.80	66.90	+.15
Prev. sales 1,598.					
Prev day's open int 10,192, off 219.					
HOGS					
30,000 lbs.; cents per lb.					
Apr	50.50	50.77	50.15	50.60	-.05
Jun	53.57	53.92	53.30	53.85	+.38
Jul	54.25	54.70	54.00	54.57	+.37
Aug	52.30	52.70	52.00	52.37	+.37
Oct	48.15	48.25	47.52	47.75	-.40
Dec	48.00	48.00	47.65	47.72	-.23
Feb	47.62	47.70	47.50	47.50	-.05
Apr	46.50	46.50	46.25	46.25	-.05
Prev. sales 12,151.					
Prev day's open int 42,535, up 472.					
PORK BELLIES					
38,000 lbs.; cents per lb.					
Mar	73.00	73.55	72.05	73.42	+.57
May	73.80	74.40	72.80	74.17	+.50
Jul	73.40	74.00	73.10	74.17	+.55

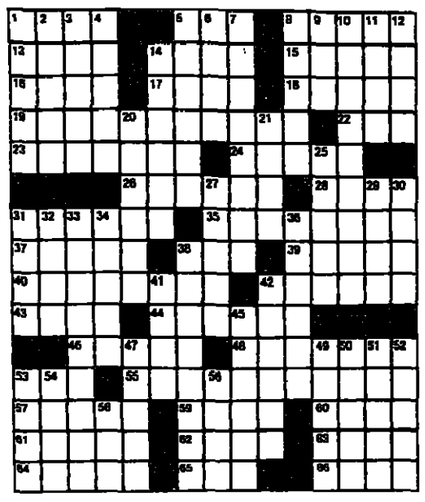
Monday's AMEX Closing Prices

Tables include the nationwide prices up to the closing on Wall Street.

(Continued from Page 14)

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls. 100s	High	Low	Close	Chge Prev Close
9½	4½	HIGInc				21	8⅛	7⅞	8⅛	
7⅝	3⅞	HilrAv	.021	8.9	1		5⅞	5⅞	5⅞	—⅛
5⅝	3¼	Hindri	.12e	3.6	38	40	3⅜	3¼	3⅜+	⅛
22¾	11⅛	Hilstron	.16	.9	14	24	17⅛	17	17⅛—	⅛
3⅛	1⅛	Holman			12	2	2⅞		2⅞	
9⅞	5⅝	HollyCp	.24	2.4	10	104	9⅞	9¾	9¾+	⅛
29⅞	17½	Hormel	1	3.7	12	142	27⅞	27¼	27¼—	⅛
29	10½	HorndWr	1.84	6.9	23	28	27½	26½	26½—	⅝
11¼	8	HornH wt			22	10	10⅛	10⅛	10⅛—	⅜
15⅞	10	HouOtr	2.31e	18.	574	12	12¼	12¼	12¼—	⅛
33¼	17¼	HubelA	1.16	3.9	10	6	30¼	29⅞	29⅞—	½
34½	17	HubelB	1.16	3.7	11	33	31⅛	30½	31	+⅛
14⅝	7¼	HudGn	.80	2.1	8	82	14⅛	14	14	+⅛
18⅝	12	HuntMfg	.36	2.2	15	79	18	17	17	—1
11⅛	5⅝	HuntH	.12	1.1	17	92	10⅝	10⅝	10⅝—	⅛
8½	3	11-16Husky	g .15			92	7⅝	7⅝	7⅝	
34¾	13	ICH	.25		9	9	22¾	22¾	22¾—	⅛
25⅞	19⅝	ICM	2.55e	11.	9	48	24½	24	24½+	⅝
11⅝	6⅝	ICO n			15	12	7	6⅞	6⅞+	½
4⅞	1⅝	IPM				19	4⅝	4½	4⅝	
17⅝	12¼	IRT Pr	1.40	9.3	10	40	17⅛	16⅝	17⅛+	⅜
5⅝	3⅝	ISS	.12	2.3		3	5⅛	5⅛	5⅛—	⅛
6⅝	4⅝	ImpCh	.35e	5.7	17	4888	6¼	6	6⅛	
3⅞	⅝	Implnd				94	3⅛	3	3	
27	16½	ImpOil	g1.40			146	22⅞	22⅝	22⅝—	⅜
7⅝	3⅞	Inflight		.36	2	4⅝	6⅞	6⅝	6⅝	
39⅝	72½	Instron	.40	1.0	44	32	39¼	38¾	38¾—	⅝
3½	⅞	InsSy				331	3⅞	3⅝	3¾—	⅛
5⅝	1⅛	InsSy pf	.2et	8.7		54	2⅞	2½	2½—	⅛
2⅝	1	IntgEn				75	1⅛	1	1	—⅛
3	½	IntEnt			15	263	4⅝	4½	4½+	⅛
12	5⅝	IntCm	g .40			122	9	8⅞	8⅞+	⅛
8¼	4⅝	Intrcle	.68t	10.	7	26	6½	6	6½+	½
12⅞	7	Intrmk	.16	1.4	81	7	11⅝	11⅝	11⅝—	⅛
7⅝	3⅝	IntBud	.06e	1.9	67	600	3⅝	3½	3⅝+	⅛
18⅝	11⅝	IntCtl	.20a	1.2	7	120	16⅛	16⅛	16⅛—	⅛
12⅝	6	IntPwr	.16	1.6	21	37	10½	9⅝	10½+	⅝
5⅝	2⅝	IntProt				2	4⅛	4⅛	4⅛+	⅛
8⅛	5	IntSeaw				2	5⅝	5⅝	5⅝+	⅝
18⅛	6	IntStd			18	146	14⅝	13⅞	14	—⅜
25⅝	13¼	Ionics s			6	16	14	20½	19⅝	—½
13⅝	5⅝	IronBrd		—	1	45	12	12⅝	12½—	⅝
8½	5	Jocyn	.40b	4.8	8	22	8¼	8⅛	8¼	
15⅞	8	Jacobs	.50	4.4	54	22	11⅝	11⅛	11⅝+	⅛
11⅝	5⅝	Jensen			12	31	10⅝	10⅝	10⅝—	⅛
7	1⅝	Jetron				18	6⅛	6⅛	6⅛+	⅛
4⅝	2	JohnPg				39	4⅝	4½	4½	
9¼	3⅝	KTelin	.40	4.7	63	8½	8⅛	8⅛+	⅛	
39	28¼	KnGs	pf4.50	12.		x600	38	37	37	+2⅝
5⅝	3	KaseKT				8	5⅛	5⅛	5⅛	
16½	7⅝	KayCp	.05e	.3	15	3	15⅝	15⅝	15⅝	
14¾	3⅛	Keltchm	.25t	2.6	14	6	13⅝	13⅝	13⅝+	⅛
17½	4⅛	KeyCo	.25	1.6	17	43	15⅝	15⅝	15⅝—	⅝
35⅞	11⅞	KeyPh	s .20	.6	e2	x219	31⅝	31⅛	31⅝—	⅝
7⅝	4½	Kladc wt				95	5⅝	5⅝	5⅝—	⅜
4⅛	2	Klern			9	9	3⅝	3⅝	3⅝	
5	2⅛	KinArk			4	110	5	4⅝	4⅝—	⅛
22½	11¾	KingR	.60	2.8	80	6	21⅝	21⅝	21⅝—	⅝
6⅝	4⅝	Kirbr				463	6⅝	6	6⅝+	⅛
7⅝	2⅝	Kit Mfg				11	7	7	7+	½
19½	4⅝	KlerVu	s.10t	.6	16	20	15⅝	15½	15⅝—	⅛
9⅝	2	KlerV wt				1	9	9	9	—1
19⅝	7¼	Knape			26	170	17⅝	17¼	17⅝+	⅛
23	17⅞	KogrC	n1.80	7.8	145	79	u23⅝	22⅝	23⅛+	⅛
4⅝	2⅝	LaBarg	.06	7.8	113	119	2⅝	2⅝	2⅝—	⅛
21⅝	8½	LaMar	s .24	1.1	14	43	21⅝	21⅛	21⅛+	⅛
6⅛	1⅝	LaPrd				2	5⅛	5⅛	5⅛—	⅛
47½	6⅛	LakeS	g			52	32½	31¼	32½+	⅛
22⅝	13⅝	Lndmk			65	3	20⅛	20⅛	20⅛—	⅜
13⅝	5¼	Laser				39	12⅝	11⅞	12⅝+	⅛
10⅝	6	LazKap			11	10	10	10	10	
3½	2	LeePh			33	3	2⅝	3	3 +	½
27¾	13½	Lehigh			7	3	27¼	27	27¼—	⅛
5⅝	2	LeisurT			183	44	5⅝	5½	5½—	⅛
11⅞	7⅛	LibtyFb			9	33	11⅝	11½	11½	
6½	3	Lifetd	.16	2.5	13	46	6⅝	6¼	6¼	—⅛
7	⅝	LloydE			10	91	5⅛	5⅛	5⅛	
4⅝	2⅝	Lodge				76	4⅝	4⅝	4⅝	
35	12⅝	Logica	.20	.6	24	x88	u35⅝	34⅝	35	+⅜
24½	14⅝	LouisCe	1	4.2		4	23⅝	23½	23⅝	
47⅝	14¼	Lumex	.12	.3	29	251	42½	41½	42	—½
16¼	7¼	LundyE			13	168	14⅛	13½	13½—	⅝
18	7⅛	Luria			15	99	15⅛	15⅛	15⅛—	⅛
9½	7⅛	Lydall			14	9	8⅝	8½	8½—	⅛
14⅝	6⅝	LynCSy	.16	.8	26	63	13⅛	12⅝	12⅝—	⅜
10½	5⅝	LynchC	.20	2.1	43	15	9⅝	9½	9½—	⅛
		— M—M—M —								
15	7⅝	MCO Hld			6	95	12⅛	11⅞	12⅛	
4½	2⅞	MCO Rs			11	79	3⅛	3⅛	3⅛—	⅛
37	14⅝	MSI Dt	.40	2.1	10	148	20	19⅛	19⅛—	⅜
30	13⅝	MacAnP			6	48	29⅝	29	29	—⅛
4½	2	Macrod				119	4	3⅝	4	
24⅝	15⅝	MePS	2.12	9.4	6	6	22⅝	22½	22½—	⅜
19	12⅝	Mnsood			11	5	18⅝	18⅝	18⅝+	⅛
11-16	⅜	Marnda				42	11-16	11-16	11-16	
5⅝	2¼	MarkPd	.10e	1.0		12	2⅞	2⅞	2⅞—	⅛
22½	17	Marm	pf2.25	11.		13	21⅛	21⅛	21⅛	
17⅝	8	Mrshln				19	17	16⅝	17 +	⅛
7⅝	3	MartPr				12	7½	7⅛	7½—	⅛
12½	5⅝	Masind			22	123	12	11⅝	12	
27⅛	12⅝	MatRsh	.12	.5	139	77	23⅝	22¼	23⅝—	⅛
43⅝	13⅝	Matrix	s		39	100	38¼	37⅝	37⅝—	⅛
24¼	17¼	MayFd	n .2	11.		x8	18⅛	18	18	
16½	6	MayFrh	.40b	2.2	10	164	16	16	16	—⅛
10	3⅞	McDaw		1.3		181	10	9⅝	10	
17	10⅛	McRae	n.08r	.5	23	35	16⅛	14⅞	16⅛+	1
8⅛	3⅝	Medalist				9	4⅞	4⅞	4⅞	
59⅝	32⅝	MedloG	1.84	2.4	7	43	42⅝	42⅝	42⅝+	⅛
26⅛	11½	Medin	s.12r	.5	14	6	22⅝	22½	22⅝	
8⅝	4⅝	Mesman	.28	4.9	82	22	5⅝	5½	5⅝	
18⅛	17⅛	MEMCo	1.08	6.4	9	10	17	17	17	
9⅝	2	MerCSL	.17t	1.9		21	9⅝	8⅝	9⅝+	⅛
10½	5	MetPr	s .15	1.7	13	22	9⅝	8⅝	8⅝—	⅝
15	6⅛	MetmPr		2.7	7	11	10⅝	10⅝	10⅝+	½
12	6⅝	MetroC			20	12	11⅛	11	11	
5⅛	1⅝	MchGn				282	3⅝	3	3⅝	
24⅛	12⅝	MichSe	.20	5.2	12	18	23⅝	23⅛	23⅝—	⅛
11⅝	2⅝	Micklb	s.08	.8	13	52	10⅝	10¼	10⅝—	⅛
9⅝	5⅛	MidAm	.36	3.9	12	x7	9⅝	9⅝	9⅝—	⅛
15½	8⅛	Midlnd	.40	2.7	4	2	15	15	15 +	⅛
11⅝	5	MidGis	.20	2.1	16	33	9⅝	9½	9⅝+	⅛
45	33½	MinP pf	5		2	12	125	41½	41½—	1
9⅝	4⅛	MissnW	.10e	1.3	47	9	8⅝	8	8 —	⅛
21⅝	9½	MitchE	.24	1.3	11	1019	18⅝	18	18¼+	⅛
31¼	20⅝	MitcCo	.70	2.5	13	4	28½	28½	28½—	⅛
8	3⅝	MonMg	.48	6.2	8	12	7⅝	7⅝	7⅝	
37⅝	28⅝	MonP	pf4.40	12.		z110	36	35½	35½—	⅜
38	27⅝	Monit	pf4.50	12.		z10	38	38	38	
9¼	1⅛	MonuE				87	2⅛	2	2 —	⅛
19¼	8⅝	MoodB	.20	1.0	20	100	u19⅝	18	19⅛+	1⅛
17⅝	8⅝	MoodA	.28	1.8	17	88	16	15⅛	15⅛+	⅜
14⅝	9⅝	MtnStn	1.31e	9.1	13	11	14⅝	14⅛	14⅝—	⅛
13	8½	Martrn	n		41	103	9⅝	9⅛	9½—	½
22¼	4	MtMed	s		22	243	18	16⅛	17⅝+	1¼
4½	2	MovieL			5	3⅝	3⅝	3⅝	3⅝	
		— N—N—N —								
26½	11½	Narda	.20	.8	31	78	24⅝	23⅝	23⅝—	½
11⅝	9½	NGOil	.40b	4.2	7	17	9½	9½	9½	
6	3⅝	NKMry				228	5⅝	5¼	5⅝—	⅛
17⅛	5⅝	NtPotM			29	703	16⅛	15	15⅛—	⅜
4⅝	1⅛	NelsLB	.17t	4.9	23	3½	3⅝	3½	3½+	⅛
9	4	NestlM	.30e	4.3	16	22	7	6⅞	7	
15⅝	8⅝	NMxAr			23	7	13⅝	13⅝	13⅝+	⅜
14⅛	6⅝	NPtnR	s .78	6.1	17	4	12⅝	12⅝	12⅝	
14⅝	6⅝	NProc	.56c	4.1	15	63	13⅝	13⅝	13½	
69½	33½	NYTim	1.52	1.9	15	144	65⅝	65½	65½+	⅝
6	2	NewEn				41	6⅝	6⅝	6⅝—	⅛
23½	11	Newcr	s .40	1.6	12	51	u24⅝	23⅝	24¼+	⅜
3	1⅝	Nexus				33	3½	3½	3½	
36½	17⅝	NiagFS	1.08	3.0	9	78	36½	36½	36½—	⅛
7⅝	2	Nichols			21	39	6⅝	6⅝	6½—	⅛
4⅝	1⅞	Noelind				169	4	3⅝	3⅝	
3	1½	Nolex				79	4⅝	2½	2⅝	
15⅝	7⅝	NaRayl	.20	1.3	10	88	15¼	15⅛	15⅛+	⅛
16½	7⅝	NoCdO	g			4	11⅝	11⅝	11⅝—	⅛
40½	16	NestBk	1.20a	3.1	13	17	39	39	39	
37	25	NIPS	pf4.25	12.		z100	34⅝	34½	34½—	⅛
14⅝	5½	NuclDr	.20	.6	17	87	6⅝	6⅝	6⅝	
17⅝	8½	Numac	g		37	13	12⅝	12⅝	12⅝	
		— O—O—O —								
21⅞	7⅛	OEA	s		17	49	19⅝	19⅝	19½—	⅜
30	16⅝	Oakwd	.12b	.2	20	3	49⅝	48½	48½—	⅛
25¼	8⅛	Oakwd	wt		20	25⅛	25	25	25 —	⅛
15½	7	OhSecF	.40	4.1	11	3	14⅝	14⅝	14⅝—	½
21	12⅛	Olkalnd	.40	2.1	8	34	19⅝	19½	19½+	⅛
18½	8⅛	Olsten	.20	1.2	24	34	16⅝	16⅛	16⅛+	⅛
38⅛	21	OdMep				z2850	38	37⅛	38	+1
33⅝	9½	OrloPh	A 1	3.7	23	10	27½	27	27	—⅛
5	2½	Ormond				12	3	3	3	
15¼	5⅛	Ormck				114	7⅛	7	7	—⅛
38⅛	12½	OSulvn	s .60	2.2	14	5	28	27¾	27¾	
9⅝	3⅝	OxfrdF			21	22	8⅝	8⅝	8⅝	
19½	9⅝	OzarkA	.20	1.3	20	703	15⅝	15⅛	15⅛—	⅜
		— P—P—P —								
13⅝	10	PGEnrlA	1.50	12.		3	13	13	13 —	⅜
13⅝	8⅝	PGEnrlB	1.37	12.		2	11⅝	11⅝	11⅝—	⅛
11⅝	7⅝	PGEnIC	1.25	12.		7	10⅝	10⅝	10⅝—	⅛
11	7⅝	PGEnID	1.25	12.		91	10⅝	10½	10½+	⅛
10⅝	7⅝	PGEnIE	1.25	12.		5	10½	10½	10½	
16⅝	7⅝	PGEnIG	1.20	12.		71	10⅛	10	10⅛	
28	27⅝	PGEnIF	4.34	11.		111	32⅝	32⅝	32⅝+	⅜
33⅝	25⅝	PGEnIZ	4.56	11.		5	33⅝	33⅝	33⅝+	⅛
27½	20	PGEnIY	2.20	12.		21	26⅝	26½	26½	
27⅝	16⅝	PGEnIW	2.57	12.		24	21⅝	21½	21½+	⅛
19⅝	16⅝	PGEnIV	2.32	12.		38	19⅝	19⅝	19⅝—	⅛
21⅝	16	PGEnIT	2.54	12.		34	21⅝	21	21⅝+	⅜
22⅝	16½	PGEnIS	2.62	12.		12	21⅝	21⅛	21⅝+	⅛
19	7	PGEnIR	1.72	12.		12	9⅝	9⅝	9⅝—	⅛
20	14⅝	PGEnIR	2.37	12.		43	19⅝	19⅛	19⅝—	⅛
18	13	PGEnIP	2.06	12.		823	17⅛	17⅛	17⅛+	⅛
17	13⅝	PGEnIO	2	12.		1	16⅝	16⅝	16⅝+	⅛
16½	12½	PGEnIM	1.96	12.		1	16⅝	16⅝	16⅝+	⅛
19⅝	14	PGEnIL	2.25	12.		2	18⅝	18⅛	18⅛—	⅜
17½	12⅝	PGEnIK	2.04	12.		45	17⅛	17	17⅛	
17⅝	12⅝	PGEnIJ	1.89	12.		41	9⅝	9⅝	9⅝+	⅛
17⅝	11⅝	PGTrn	f	6.2	5	78	16⅝	16⅝	16⅝—	⅛
37	27	PacLt	pf4.36	12.		y10	36	36	36 +	⅛
37	27⅝	PacLt	pf4.40	12.		y300	36⅝	35½	35½—	1⅛
43½	29⅞	PacLt	pf4.75	12.		z300	40⅝	40	40 +	⅛
11⅝	4⅛	Page	g			78	5⅝	5⅛	5⅛+	⅛
39½	18⅝	PalCp	s .36	1.0	26	108	37⅝	36½	37½—1⅛	
6	4⅝	PdmP	s		2	56	4⅝	4⅝	4⅝ —	⅛
7⅝	2	ParaPk			6	3⅝	3⅝	3⅝	3⅝—	⅛
20	13	ParkCh	.60a	3.4	9	7	17⅝	17⅝	17⅝—	⅛
31⅝	6⅝	ParkEl			21	7	27⅝	27	27⅝+	⅛
6⅛	2⅝	PavFxn			40	19	4⅝	4⅝	4⅝—	⅛
7⅝	5⅛	PeerTu	40b	5.3	15	1	7½	7½	7½	
7⅝	1⅝	Penin			7	1	2	2	2	
26	17	PenEM	.80a	3.4	13	3	23⅝	23⅝	23⅝+	⅛
18½	11⅝	PenTr	1.20	6.3	12	50	u19	18⅝	19 +	⅜
2⅝	1⅛	PECo	.19t	7.2	5	276	2⅝	2⅝	2⅝	
30⅛	19⅝	PenRE	2.50	8.7	9	9	28⅝	28⅝	28⅝+	⅜
13½	7⅝	Penril	.17	1.3	15	144	12⅝	12⅝	12⅝+	⅜
1⅝	⅜	Pentron				30	1⅝	1½	1½—	⅛
70	29⅝	PepB	s .80	1.1	16	x24	u73½	69½	72½+2⅝	
38	15½	Perini	.80	2.4	7	6	32⅝	32⅝	32⅝+	⅛
19⅝	8½	PervDr	.28	1.6	14	45	17⅝	17⅝	17⅝—	⅜
12⅝	7¼	PetLew			12	826	10⅝	10½	10½—	⅛
12⅝	9⅝	PetLe	pf1.65	14.		9	11⅝	11⅝	11⅝+	⅛
16⅛	14⅝	PetLe	pf2.28	15.		99	15⅛	15	15⅛+	⅛
13	8½	Petrolr	.57r	15.	4	32	4	3⅝	3⅝	
2⅛	1⅛	Phemlx				25	1⅝	1⅛	1⅛	
16⅝	5	Pico	n		37	41	14⅝	14⅝	14⅝+	⅛
6	2⅞	PionrSy			281	59	5⅛	5⅛	5⅛—	⅛
8⅝	4⅝	PlWVG	.56a	7.6	9	18	7⅝	7	7⅝+	⅛
18⅝	11⅝	PlDM	.40	2.3	34	15	17½	17½	17½	
53½	41⅝	PlsNwy	1.65	3.2	9	x11	51	51	51	—⅛
9⅝	4½	Plzzaln			22	132	9⅝	9½	9⅝+	⅛
21	8⅝	PlcrD	p .20		4	189	18½	18½	18½—	⅜
3½	1⅝	Plastnt			4	29	3⅝	3⅝	3⅝—	⅛
13	3⅝	PlyGm	s .20	1.6	22	96	12⅝	11⅝	12½+	⅛
4⅝	2	PlyR A				5	4⅝	4½	4½—	⅛
4⅝	1⅝	PlyR B				55	3⅝	3½	3½—	⅛
15⅝	6	PoseE	s		11	372	15	14	14⅝	
2⅝	8⅝	PortSy			24	53	21⅝	21	21⅝+	⅜
38⅛	24⅝	PostCp	.60	1.7	17	5	34½	34⅛	34⅝—	⅜
15⅝	10⅝	PostPr	.20	1.3	13	15	15⅛	14⅝	15 —	⅛
13⅝	9⅝	PowerT	.30b	3.0	25	79	10⅛	10	10	
28⅝	11	PraIrO	g			2	19⅝	19½	19½	
26½	15⅝	ProfLm	1.22	4.8	9	x9	25⅝	25½	25½—	⅛
38	22	Prtl	pfC2.34	4.5		x1	50	50	50 +	⅜
34⅛	8⅝	PrcMl	.80a	4.3	11	195	18⅝	18⅝	18⅝+	⅜
3⅝	1	PremRs				10	1⅛	1⅛	1⅛	
48¼	24	PrenHa	1.76	3.7	13	137	47⅝	47	47 —	⅛
6⅛	2⅛	PresR	g .50	8.2	22	19	6	6	6 +	⅛
5⅝	2⅝	PresId			24	20	3⅛	3	3⅛+	⅛
34⅝	23½	PrsCT	2.55e	7.7	11	4	33⅛	33	33 —	⅜
17¼	10⅝	ProvEn	1.60	9.7	4	3	16½	16½	16½	
19⅝	15	Prof	pfC2.34	12.		7	19⅝	19⅝	19⅝	
35	27	Prof	pfE4.38	13.		42	35	34	34 —	⅛
20⅝	14⅝	Prof	pfD2.34	12.		1	20¼	20¼	20¼—	⅛
57⅝	7	PulteH	s .14	.3	30	x731	53⅝	50¼	53¼+	¼
		— R—R—R —								
16⅝	11⅝	RAI	n .54t	3.2	27	273	u17⅝	16	17 +	⅜
15⅝	8	REDM			10	70	14⅝	14¼	14¼—	½
7½	3½	RMS El				70	5½	5⅝	5⅝	
6⅝	4	RSC			59	14	5	5⅝	5⅝—	⅛
16⅛	6⅝	RTC	.48	3.3	8	18	14⅝	14½	14½—	½
16⅝	8⅛	Ragan	.12e	.8	30	6	14⅝	14½	14½	
42⅝	11	RochEx	.28e	.8	35	21	33½	34⅝	34⅝—	⅜
24⅝	12⅝	Rondbg	.72	3.2	30	194	22⅝	21⅝	22½+	⅜
9⅝	3⅝	Rotlfl		.46	8	4	4⅛	4⅛	4⅛	
13⅝	9⅝	Rowen	.30b	3.8	11	7	8	7⅝	8	
26⅝	11¼	Roymin	.36	1.1	8	19	23⅝	23	23½+	⅛
44	24⅝	REImv	2.40a	5.5	16	189	44	44	44	
6⅝	2½	Refinnt				2	5⅛	5⅛	5⅛—	⅛
12⅝	2⅝	ResGyp	.40	3.3	18	20	12⅝	11⅝	12 +	⅛
30⅝	15⅝	RestrA		1.3	26	283	28½	27½	28½—	⅛
3	1⅝	Restr wt				154	3½	2⅞	2⅞—	⅛
31⅞	18¼	Restr B			13	x100	28	28	28 —	⅛
9	3⅛	RestAsc			11	183	8⅝	7⅝	8⅛—	⅛
4⅝	2⅛	RexNor			22	103	4⅝	4	4⅛—	⅛
14⅝	4½	RibletP	.12	.9	21	59	13⅝	13⅛	13⅛—	⅜
38¼	20⅝	RibAlg	g1.50		7	17	u37⅝	37⅝	38⅝+	⅜
5⅝	1⅝	RichGr		.5	7	8	2⅝	2⅝	2⅝—	⅛
5⅝	2	Robntc			32	2	4⅝	4⅝	4⅝—	
26⅝	10½	Rckwy	1	4.4	23	9	21⅝	21¼	21⅝—	⅛
19⅝	12	Rogers	.12	.4	53	58	19⅛	19⅛	19 —	⅛
3⅝	1⅝	RoyPlm				29	2⅝	2⅝	2⅝	
19⅝	12⅝	Rudick	.56a	2.9	8	x3	19⅝	19⅝	19⅝—	⅛
4⅝	1⅝	RuSW				39	4⅝	4⅝	4⅝ +	⅛
25⅝	12	Russell	.44	1.7	14	17	25

CROSSWORD



ACROSS

1 Interrupter's sound
5 A locale for a physics course
8 Intriguing group
13 Panty-hose shade
14 Dock item
15 Former Dodger
16 Actor Jannings
17 Greek and Roman
18 "And every goose —— . . .": Kingsley
19 He of "a lean and hungry look"
22 Pismire
23 Deler's choice?
24 The sky
26 Err at bridge, in a way
28 Armadillo
31 He should have heeded Calpurnia
35 Postponed
37 Duo quadrupled
38 Grassy patch
39 Pigment for Opie
40 Withdraws
42 Annual-report item
43 Rub- ——
44 Baskets for trouters
46 Kind of knife
48 Did a p.r. job
53 Spoil
55 See 10 Down
57 As —— (generally)
59 Start of a March 17 greeting
60 —— Alto
61 Honey badger
62 River that joins the Fulda
63 Maine, to some Canadians
64 Belief
65 Norma or Charlotte
66 Nones, e.g.

DOWN

1 Keep —— on (watch over)
2 Levity
3 Minneapolis suburb
4 Combos in cards
5 London's Wolf ——
6 Cry for Yorick
7 Like Acre in 1799
8 Depression precursor
9 Loser to D.D.E.
10 With 55 Across, Soothsayer's warning
11 Straight —— arrow
12 Feb. 16-Apr. 2 period in 1983
14 One presenting a check
20 Auxiliary cleric
21 Western college team
25 Heroic sagas
27 Like some leaves
29 Jones of football
30 Cool drinks
31 Cooper's —— Munro
32 Scored on a serve
33 Penultimate words of 31 Across
34 ——-Croatian
36 What Pogo plays
38 "Father of the Bride" author
41 Destructive kind of rain
42 Musketeers' "——one . . ."
45 Literary genre
47 Manipulate
49 Yawned
50 Persona non ——
51 Fame or fanfare
52 Table —— (not à la carte)
53 —— Antony
54 Sandarac tree
56 Fountain drink
58 Actor Marvin

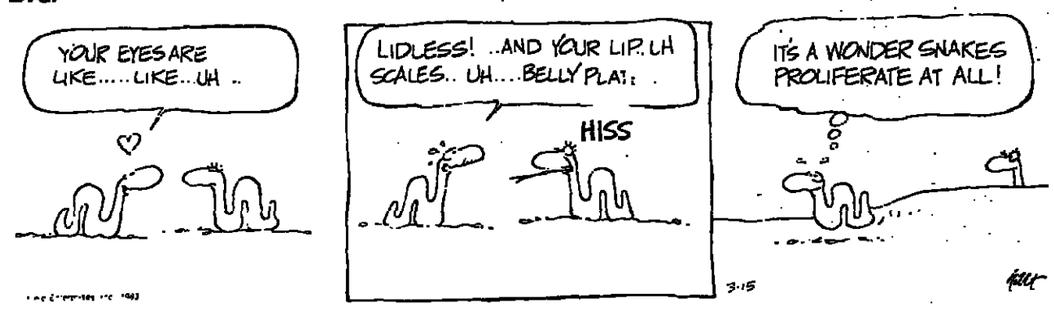
WEATHER

	HIGH C	HIGH F	LOW C	LOW F			HIGH C	HIGH F	LOW C	LOW F	
ALGARVE	18	64	14	57	Fair	LONDON	11	52	8	46	Overcast
ALGIERS	28	82	7	45	Overcast	LOS ANGELES	19	66	14	57	Cloudy
AMSTERDAM	13	55	6	43	Overcast	MADRID	16	61	10	50	Cloudy
ANKARA	-2	28	-6	23	Snow	MANILA	32	90	24	75	Cloudy
ATHENS	8	46	4	39	Cloudy	MEXICO CITY	13	55	8	46	Rain
AUCKLAND	22	72	15	59	Showers	MIAMI	22	72	11	52	Cloudy
BANGKOK	34	93	24	75	Overcast	MILAN	9	48	1	34	Overcast
BEIJING	13	55	0	32	Fair	MONTREAL	9	48	0	32	Fair
BEIRUT	14	57	11	52	Overcast	MOSCOW	4	39	-4	25	Overcast
BELGRADE	9	48	-4	25	Fair	MUNICH	11	52	-1	30	Overcast
BERLIN	9	48	0	32	Overcast	NAIROBI	29	84	14	57	Cloudy
BOSTON	10	50	0	32	Fair	NASSAU	22	72	15	59	Cloudy
BRUSSELS	13	55	9	48	Showers	NEW DELHI	30	86	14	57	Fair
BUCHAREST	6	43	-6	21	Fair	NEW YORK	14	57	3	37	Fair
BUDAPEST	8	46	-4	25	Fair	NICE	13	55	8	46	Overcast
BUENOS AIRES	25	77	10	50	Cloudy	OSLO	3	37	1	34	Overcast
CAIRO	14	57	10	50	Rain	PARIS	13	55	9	48	Overcast
CAPE TOWN	27	81	16	61	Fair	PRAGUE	6	43	-5	23	Overcast
CASABLANCA	19	66	15	59	Overcast	REYKJAVIK	2	36	1	34	Rain
CHICAGO	6	43	1	34	Cloudy	RIO DE JANEIRO	32	90	19	66	Overcast
COPENHAGEN	19	66	15	59	Overcast	ROME	14	57	3	37	Overcast
COSTA DEL SOL	16	61	13	55	Overcast	SAO PAULO	27	81	16	61	Cloudy
DAMASCUS	18	64	2	36	Fair	SEOUL	6	43	-1	30	Fair
DUBLIN	10	50	5	41	Showers	SHANGHAI	8	46	3	37	Fair
EDINBURGH	10	50	7	45	Overcast	SINGAPORE	36	79	24	75	Cloudy
FLORENCE	10	50	7	45	Rain	STOCKHOLM	6	43	-2	28	Cloudy
FRANKFURT	15	59	2	36	Cloudy	SYDNEY	23	73	18	64	Fair
GENEVA	12	54	7	45	Overcast	TAIPEI	15	59	12	54	Rain
HARARE	26	79	16	61	Fair	TEL AVIV	18	64	8	46	Overcast
HELSINKI	4	39	-1	30	Cloudy	TOKYO	10	50	7	45	Fair
HONG KONG	16	61	11	52	Overcast	TUNIS	17	63	5	41	Fair
HOUSTON	24	75	14	57	Cloudy	VENICE	9	48	-1	30	Cloudy
ISTANBUL	4	39	0	32	Snow	VIENNA	8	46	-2	28	Cloudy
JERUSALEM	14	57	4	39	Cloudy	WARSAW	7	45	-3	27	Cloudy
LAS PALMAS	22	72	17	63	Overcast	WASHINGTON	20	68	5	41	Fair
LIMA	31	88	22	72	Cloudy	ZURICH	10	50	4	39	Overcast

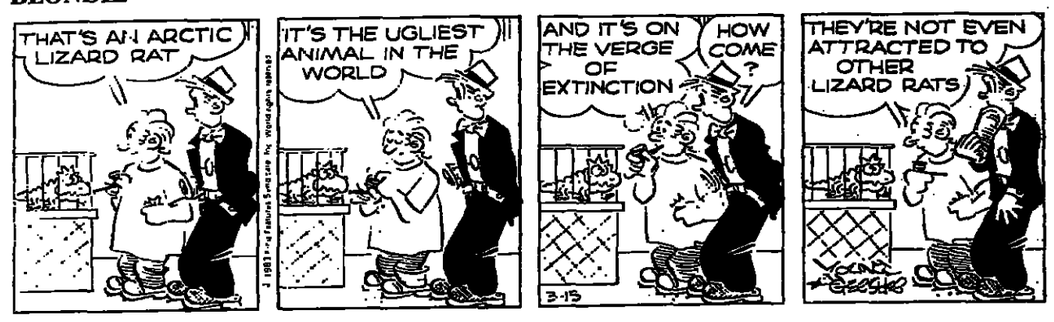
Readings from the previous 24 hours.

PEANUTS

B.C.



BLONDIE



BEETLE BAILEY

ANDY CAPP

WIZARD of ID

REX MORGAN

JUMBLE. THAT SCRAMBLED WORD GAME

by Henri Arnold and Bob Lee

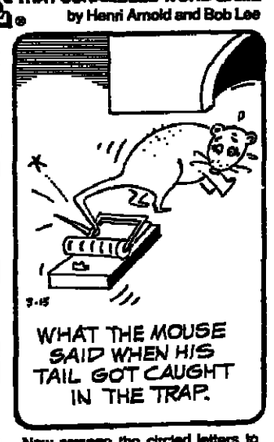
Unscramble these four Jumbles, *one letter to each square, to form four ordinary words.*

KERCE

DOUMI

JICTEN

REGOFT



Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: THAT'S THE ○○○○ OF ○○○ !

(Answers tomorrow)

Yesterday's Jumbles: MERGE SUAVE FRACAS UNFOLD

Answer: How their guest knew he was no longer welcome—HE "GUESSED"

DENNIS THE MENACE

"HOW COME HOTDOG PURRS AN' RUFF DOESN'T?"

Imprimé par Offprint, 73 rue de l'Evangile, 75018 Paris

BOOKS

THE GOEBBELS DIARIES, 1939-1941

Edited by Fred Taylor. 490 pp. $17.95. Putnam, 200 Madison Ave., New York, N.Y. 10016.

Reviewed by Bradley F. Smith

IN THE 1920s Hitler named Joseph Goebbels the Nazi Party's propaganda leader and *Gauleiter* for Berlin. Shortly after becoming chancellor of Germany in January 1933, the *Führer* gave Goebbels the additional position of Reich Minister for Propaganda and National Enlightenment. Throughout the "years of struggle" before 1933, and on to the final demise of the Third Reich in May 1945, Goebbels was Hitler's closest partner in the development of the massive propaganda campaign that characterized Nazism. He was also the man in charge of the comprehensive system of censorship and media control through which the Nazis seized hold of, and then strangled, the cultural life of the land of Goethe and Schiller.

Goebbels was a highly effective speaker, and his hard-edged delivery contrasted sharply with the guttural rumblings of the *Führer*. Along with an enormous capacity for hard work and real administrative skills, Goebbels (like Hitler) stressed mass symbolism in propaganda (rallies, mass demonstrations, etc.).

Among the top Nazi leaders, Goebbels stood out as the most lively, by far the best educated (a doctorate), and the possessor of an active — if wicked — sense of humor. He was also a fanatical Nazi with a hatred of communists and a thorough contempt for democracy and civil rights. Goebbels's racism was at least as obsessive and universal as that of the majority of his Nazi colleagues, but he was inclined to use open pogrom methods against Jews in contrast to the bureaucratic devices of deportation and gas chambers favored by Heydrich and Himmler.

Although certainly not a nice man, Goebbels was an intriguing one, and has not ceased to pique the curiosity and interest of outside observers. This interest has been fueled by the fact that Goebbels was an inveterate diary writer who apparently poured two pages of his version of every day's events into the typewriter from the mid-1920s until May 1945. During the 1930s he published a small volume of sharply edited entries for the years 1932-33, and later entries were published from time to time through the late '70s.

The publication of those additional sections has been plagued with troubles. Due to conflicts over literary rights, long battles have raged, and the existence of multiple versions of the original records — all of which are incomplete — has made preparation of a coherent text difficult. But Fred Taylor has persevered to give us an extensive slice of the extant diary materials from January 1939 to July 1941. Historians will be disappointed at the size of the gaps, for there are huge sections missing from the 1940 original, including almost everything on the buildup for, and execution of, the attack in the West in May and June. But virtually the full run up to the invasion of the Soviet Union in June 1941 is here. Historians will also find valuable accounts of Goebbels's working methods, his relations with other Nazi leaders and his long conversations with Hitler.

For the general reader, as well as the historian, care must be taken in accepting at face value everything Goebbels put in the diary. Obviously, considering his profession and politics, he was both myopic and an enthusiastic bender of truth.

But all such doubts count as nothing compared with the readability and gripping quality of the diary. Goebbels's cynical humor shows up frequently. When "all astrologers, magnetopaths, anthroposophists, etc." in the Reich were arrested following Hess's flight to England in May 1940, the propaganda minister dryly remarked, "oddly enough not a single clairvoyant predicted he would be arrested. A poor advertisement for their profession."

Goebbels's unexpected candor also pops up repeatedly. In May 1941 he asked rhetorically, "Shall we really have to settle for that filthy fellow, [French collaborator Pierre] Laval?" For months he crowed that the English were lying and understating their aircraft losses, but on July 3, 1941, he observed that "our Luftwaffe is probably doing the same thing."

The incongruities are what make this volume so engrossing. The love and devotion with which Goebbels writes of his many children continually gives the reader a start, for in 1945 he had them all killed just before he committed suicide. The pure adulation with which this intelligent man invariably refers to Hitler in his diary entries — contrasting so sharply with the mixed reviews he gives to his other associates — leaves one with a sense of bewilderment. Yet just as one is ready to dismiss him as a closed-minded fanatic, one finds entries such as, "wonderful caricatures of me appear in the English newspapers. One could laugh oneself sick at them," or "Wachter has given the *Führer* 100 original French cartoons of himself for his birthday. A scream! I too am in them, brilliantly caricatured. When such things are done with wit and intelligence, one cannot help but appreciate them."

And when faced with the diary of a racist zealot and warmonger who could write such lines, one can *but read on, for this must surely be* one of the most intriguing historical records of one of the enigmas and paradoxes of our times.

Bradley F. Smith is the author of "The Road to Nuremberg" and the coauthor of "Operation Sunrise: The Secret Surrender." He wrote this review for The Washington Post.

Solution to Previous Puzzle

S	N	A	F	U		S	M	E	W		C	O	C	A
H	O	G	A	N		H	E	R	A		A	D	A	M
A	T	A	L	E		A	L	I	T		L	E	N	A
H	I	L	L	S	T	R	E	E	T	B	L	U	E	S
				C	E	D	E		L	L	A	M	A	S
R	A	N	D	O	M		S	E	A					
O	B	O	E		P	I	L	L		M	O	V	I	E
S	U	N	S	E	T	B	O	U	L	E	V	A	R	D
S	T	E	I	N		E	B	R	O		A	L	A	I
				V	E	X		S	I	L	E	N	T	
O	R	E	G	O	N		P	O	E	M				
S	A	L	L	Y	I	N	O	U	R	A	L	L	E	Y
M	I	L	O		G	E	L	S		R	I	A	T	A
A	S	I	A		M	E	E	T		E	N	D	O	W
N	E	S	T		A	D	D	S		T	E	E	N	S

CHESS

By Robert Byrne

THE TV World Cup in Hamburg was yet another triumph for the world champion Anatoly Karpov of the Soviet Union, who defeated a countryman and former world champion, Boris Spassky, in a final playoff.

Karpov topped his double-round qualifying section with a 4½-1½ score, ahead of the British grandmaster John Nunn, 3½-2½; the foremost African player, Slim Bouaziz of Tunisia, 2-4, and a United States co-champion, Yasser Seirawan, 2-4.

Meanwhile, Spassky had won his section with a 5½-½ tally, ahead of the Dutch grandmaster Jan Timman, 3-3; the West German international master Eric Lobron, 2-4, and the Filipino grandmaster Eugenio Torre, 1½-4½.

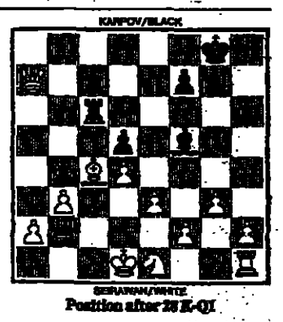
Spassky and Karpov each won one game of their two-game final, which, like the qualifying rounds, was played at the fast time limit of one hour each for however many moves a game took. This was an accommodation to the sponsors, BBC-TV, Norddeutscher Rundfunk and the Hamburger Schachverband, which broadcast the games in a series of 13 programs.

In the necessary final playoff, which was contested at the even faster rate of 15 minutes each for all moves, Karpov decided the tournament with a victory and a draw.

The first of Karpov's two victories over Seirawan gave him sweet revenge. The game followed their encounter in the Phillips & Drew International Tournament in London up to the point where Karpov had played the faulty 13 . . . PQB4?; 14 R-K3, B-K3; 15 QxN, which did not produce enough of an attack to compensate for the lost piece. The 13 . . . P-QN4! of the present game was suggested in the tournament book, but apparently only Karpov took it seriously.

Accepting the pawn was prohibited: for example, 14 QxP?, R-N1; 15 Q-R4, RxP; 16 R-K3, B-K3; 17 QxN?, Q-N5ch lets Black force mate. Seirawan should have retreated with 14 Q-Q1, although Black gets a good game with 14 . . . P-QB4!, since 15 PxP?!, NxP; 16 QxP?, N-K5!; 17 QxR, NxR; 18 PxN, Q-R6; 19 Q-Q5, B-

KARPOV/BLACK



SEIRAWAN/WHITE

Position after 28 K-Q1

N2!; 20 Q-Q2, BxN; 21 R-N1, R-K3 yields Black a winning attack.

After 14 Q-R5?!, Q-K5!, something had to be done about 15 . . . Q-N8ch, and 15 R-Q3?, QxR was impossible. Thus, Seirawan tried 15 K-Q2.

Karpov's incisive knight sacrifice with 19 . . . BxR! was based on the vulnerability of the white king and the calculation that the black rook and bishop could be quickly mobilized for the mating attack.

On 25 . . . R-QB3, running with 26 K-K2 would have led to 26 . . . B-N5ch; 27 P-B3, Q-N7ch; 28 K-Q1, R-B8mate. Thus, Seirawan had to plug the dike with 26 B-B4.

After 27 . . . Q-N7ch, Seirawan could not escape by 28 K-B3, B-K5ch; 29 K-N4, R-N3ch; 30 K-R3, QxBP with a mating net. Moreover, 28 K-B1 permits 28 . . . B-R6ch; 29 K-N1, PxB; 30 Q-R8ch, K-R2; 31 QxR, Q-K7!; 32 N-N2, Q-Q8ch; 33 N-K1, QxNmate.

Therefore, the white king drifted reluctantly back with 28 K-Q1, but on the rook sacrifice with 28 . . . PxB!; 29 Q-R8ch, K-R2; 30 QxR, P-B6!, there was no way out, since 31 N-B3 ends in 31 . . . Q-N8ch; 32 K-K2, B-Q6mate. Thus, Seirawan gave up.

QUEEN'S GAMBIT DECLINED

White Seirawan	Black Karpov	White Seirawan	Black Karpov
1 N-KB3	N-KB3	21 R-K3	Q-N5
2 P-B4	P-K3	22 RxP	Q-N7ch
3 N-B3	P-Q4	23 K-Q2	RxP
4 P-Q4	B-K2	24 QxR	Q-R8ch
5 BxN5	PxKN3	25 K-K2	Q-R6ch
6 P-K4	O-O	26 K-Q1	B-B4
7 R-B1	P-QR3	27 N-K1	R-N1
8 PxP	NxP	28 QxQRP	R-N8
9 NxN	PxN	29 R-K3	R-QB3
10 BxB	QxB	30 B-B4	Q-R8ch
11 P-KR3	B-B3	31 K-B2	Q-N7ch
12 R-B3	K-B2	32 K-Q1	P-B3
13 Q-B2	P-QN4	33 Q-R8ch	K-B2
14 Q-Q2	Q-K2	34 QxR	P-B6
15 R-Q2	R-K1	35 Resigns	
16 R-N2	R-N5		

Jeff Chandler (left) and Gaby Canizales trading punches during their WBA title fight.

United Press International

Chandler Retains WBA Title

The Associated Press

ATLANTIC CITY, New Jersey — Jeff Chandler successfully defended his World Boxing Association bantamweight title a seventh time with a unanimous decision over Gaby Canizales in 15-round bout here Sunday.

Canizales landed effective body punches during the early going, but Chandler took command in the middle rounds with combinations to the head. Nicosio Lorenzo Drake gave the fight to Chandler, 148-140, while fellow judges Larry Hazzard and Albert Tremari had it 147-140 and 145-141, respectively.

Canizales backed Chandler into the ropes with head and body combinations in the second round and continued to work on the champion's body in the third. Chandler came to life in the sixth, ripping solid rights to Canizales's head. He kept working on the challenger's right eye, which reddened as the fight progressed.

Canizales appeared to rally in the 12th, when he backed up the champion with a right to the head. But in the 13th, Chandler rocked Canizales with a left to the chin and the champion continued to build up his lead in the final two rounds.

Chandler's summary view of the fight was simple. "He's a good puncher, but I can take shots to the body," he said. "I won. He's banged up and I'm not."

Chandler, 26, is the first U.S. world bantamweight champion in more than 30 years and has kept a lock on the title since he won it with a November 1980 knockout of Julian Soles of Puerto Rico. Chandler is 30-0-2 with 16 knockouts; his six previous defenses resulted in five knockouts and a draw.

Canizales, 24-2 with 19 knockouts, climbed to No. 2 in the WBA ratings after he knocked out Diego Rosario for the vacant U.S. Boxing Association title last June. Canizales, 22, earned the shot at Chandler's title when he knocked out Franco Torregoza in September.

Field Set for NCAA Basketball Tourney

By Gary Pomerantz

Washington Post Service

WASHINGTON — The National Collegiate Athletic Association's selection committee announced the pairings for its annual tournament Sunday, and now, as always, the college basketball world sits back, scratches its head and wonders what ever happened to geography and the value of a 20-victory season.

No complaints, however, are being heard from Georgetown or Maryland, which both received at-large bids to the Midwest Regional.

Georgetown (21-9), which finished second in the nation last season, is the No. 5 seed in the 13-team Midwest Regional. It will play Friday night in Louisville, Kentucky, against the winner of Tuesday night's preliminary-round game between Xavier and Alcorn State. Maryland (19-9), seeded No. 8, will play ninth-seeded Tennessee-Chattanooga (26-3) Thursday night in Houston.

Across the nation Sunday came the standard cheers and jeers. The Big East and Big Ten conferences were cheering after each placed five teams in the tournament. Alabama (20-11) was heartened at having earned an at-large bid despite finishing in eighth place in the Southeastern Conference during the regular season. The Tide upset Kentucky in the SEC tournament before losing to Georgia, 86-71, in Sunday's final.

Teams like South Carolina (20-8), Alabama State (22-5) and Texas Christian (21-10) were among those jeering because they were not granted at-large bids.

Such teams as Virginia (27-4) and Boston College (24-6) — teams whose vast talents put the "beast" in the East — were shipped to the West Regional. Even though Louisville (29-3), the Metro Conference champion, was the top seed in the Mideast Regional, the Cardinals were jeering because they will not play on their home court, the site of the Midwest Regional's second-round games.

The other top seeds are Houston (Midwest), Virginia (West) and St. John's (East).

Twenty-eight berths had already been decided before Sunday because of league championships. Picking the remaining 24 berths was not an easy process, according to Dave Gavitt, chairman of the NCAA's selection committee.

"It was just unbelievable how many good teams there were," said Gavitt, who is also the commissioner of the Big East Conference. "It was the most difficult year in the five years since I have been on the committee."

Further difficulty was created Sunday when North Carolina State (20-10) won the Atlantic Coast Conference tournament title and Georgia (21-10) won the SEC championship, both automatically earning NCAA bids. Before Sunday, both had been borderline cases.

"Upsets of the past two days had quite a bearing on the process," said Gavitt. "The SEC had eight teams considered, and I don't ever remember a time when eight teams from a conference were taken under consideration. Throughout the entire bracket, the seeding process was very difficult."

Louisville will play at Evansville, Indiana, Saturday against the winner of Friday night's Tennessee-Marquette game.

Gavitt said that had Virginia not been upset by North Carolina State, 81-78, in the ACC tournament title game, the Cavaliers likely would have been the No. 1 seed in the East Regional. Instead, the No. 1 seed went to St. John's.

It is ironic that the East Regional might well be the weakest of the four regionals, since the East is considered by some to be the strongest basketball region in the nation.

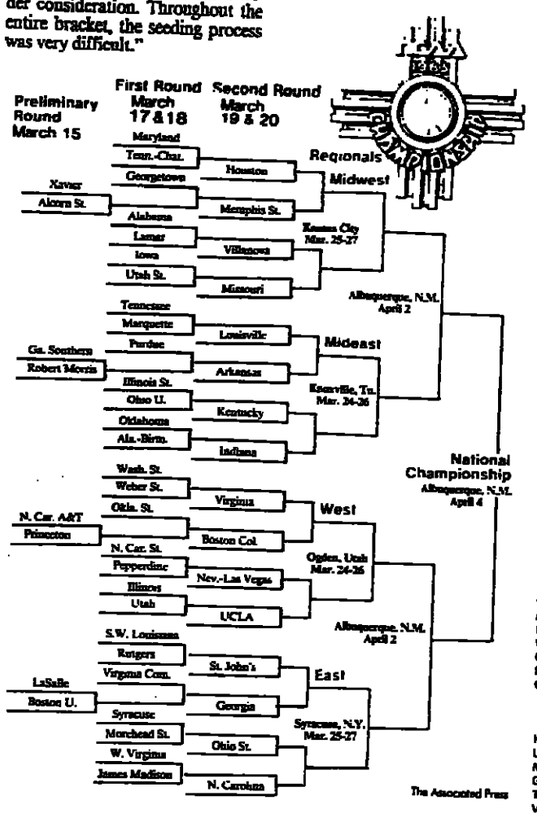
That odditv developed when some of the East's premier teams were sent off to become among the higher seeds of other regionals. Besides Virginia and Boston College, the No. 1 and No. 4 seeds in the West Regional, Villanova was sent to the Midwest as the No. 3 seed.

Only two independents received an at-large bid to the NCAA tournament — Southwest Louisiana (22-6) and Marquette (19-9). "I feel very, very fortunate," said Bobby Paschal, coach of Southwestern Louisiana. "I know there are a lot of good basketball teams in this state that were probably considered."

The tournament will begin Tuesday night with the preliminary rounds and will extend through the regional finals to the final four in Albuquerque, New Mexico, April 2-4. The East Regional will be played in Syracuse, New York; the Mideast Regional in Knoxville, Tennessee; the Midwest Regional in Houston, and the West Regional in Ogden, Utah.

Meanwhile, some of the nation's usual powers did not make the NCAA tournament at all. Notre Dame (19-9) and De Paul (17-11) were extended bids to the National Invitation Tournamant late Sunday.

Among the 32 teams who received invitations to the NIT were Virginia Tech, Old Dominion, William and Mary, Wake Forest, St. Bonaventure, South Carolina and Alabama State.



College Basketball

Compiled by Our Staff From Dispatches

NEW YORK — Here the top teams in the wire service college basketball polls fared last week:

Houston (27-2) def. Southern Methodist 75-59; def. Texas Christian 62-59.

Virginia (27-4) def. Duke 109-66; def. Georgia Tech 96-67; lost to North Carolina St. 81-78.

Louisville (29-3) def. Memphis St. 71-68; def. Tulane 66-61.

UCLA (23-5) lost to Washington St. 70-68; def. Arizona 111-68; lost to Arizona St. 78-76.

North Carolina (26-7) def. Clemson 105-79; lost to North Carolina St. 91-84 (OT).

Arkansas (25-3) lost to Texas Christian 61-59 (OT).

Indiana (23-5) def. Ohio St. 81-60.

St. John's (27-4) def. Pittsburgh 64-53; def. Villanova 91-80; def. Boston College 85-77.

Nevada-Las Vegas (28-2) def. Pacific 74-67; def. Long Beach St. 67-64; def. Fresno St. 66-63 (OT).

Kentucky (21-7) lost to Alabama 69-64.

Wichita St. (25-3) did not play.

Missouri (26-7) def. Colorado 88-73; def. Nebraska 69-63; lost to Oklahoma St. 93-92, 2 OT.

Villanova (23-7) def. Connecticut 69-68; lost to St. John's 91-80.

Boston College (24-6) def. Seton Hall 79-56; def. Syracuse 80-74; lost to St. John's 85-77.

Georgetown (21-9) def. Syracuse 80-75; lost to Syracuse 79-72.

Ohio St. (19-9) lost to Indiana 81-60.

Memphis St. (22-7) def. Florida St. 84-74; lost to Louisville 71-68.

Tennessee-Chattanooga (26-3) def. Appalachian St. 71-58; def. Western Carolina 77-75 (OT); def. East Tennessee St. 70-62.

Oklahoma (23-8) lost to Kansas 87-77.

Syracuse (20-9) lost to Georgetown 80-75; def. Georgetown 79-72; lost to Boston College 80-74.

Washington St. (22-6) def. UCLA 70-68; lost to Washington 76-75.

Illinois St. (24-6) def. Southern Illinois 64-54; def. Bradley 79-61; def. Tulsa 84-64.

College Scores

SUNDAY'S RESULTS

MIDWEST

Illinois 70, Minnesota 67 (2 OT)

TOURNAMENTS

Atlantic Coast Conference Championship

N. Carolina St. 81, Virginia 78

Big Eight Conference Championship

Oklahoma St. 93, Missouri 92 (2 OT)

Metro Conference Championship

Louisville 66, Tulane 51

Southeastern Conference Championship

Georgia 86, Alabama 71

National Invitation Tournament

FIRST ROUND

March 15

East Tennessee (22-8) at Vanderbilt (18-13)

Fordham (19-10) at South Florida (21-10)

March 16

New Orleans (22-6) at Louisiana St. (19-12)

Idaho (23-8) at Oregon St. (17-10)

Old Dominion (19-9) at South Carolina (20-8)

Minnesota (18-10) at DePaul (17-11)

Texas Christian (21-10) at Tulsa (19-11)

St. Bonaventure (20-9) at Iona (21-8)

Texas-El Paso (18-9) at Fresno St. (20-10)

March 17

William & Mary (28-9) at Va. Tech (22-10)

Northwestern (17-12) vs. Notre Dame (19-9) at Rosemont, Illinois

Wake Forest (17-11) at Murray St. (20-10)

Tulane (18-10) at Nebraska (19-9)

Alabama St. (22-5) at Mississippi (17-11)

March 18

Fullerton St. (21-6) at Arizona St. (17-12)

Bowling Green (21-8) at Michigan St. (17-11)

Final College Standings

ATLANTIC COAST CONFERENCE

	Conference W	L	Pct.	All Games W	L	Pct.
North Carolina	12	2	.857	26	7	.788
Virginia	12	2	.857	27	4	.871
Maryland	8	6	.571	19	9	.679
N.Carolina St.	8	6	.571	20	10	.667
Wake Forest	7	7	.500	17	11	.607
Georgia Tech	4	10	.286	13	15	.464
Duke	3	11	.214	11	17	.393
Clemson	2	12	.143	11	20	.355

SOUTHEASTERN CONFERENCE

	Conference W	L	Pct.	All Games W	L	Pct.
Kentucky	13	5	.722	21	7	.750
Louisiana St.	10	8	.556	19	12	.613
Mississippi	10	8	.556	17	11	.607
Georgia	9	9	.500	21	9	.700
Tennessee	9	9	.500	19	11	.633
Vanderbilt	9	9	.500	18	13	.581
Mississippi St.	9	9	.500	17	12	.586
Alabama	8	10	.444	20	11	.645
Auburn	8	10	.444	15	13	.536
Florida	5	13	.278	13	18	.419

BIG EAST CONFERENCE

	Conference W	L	Pct.	All Games W	L	Pct.
Boston Coll.	12	4	.750	24	6	.800
Villanova	12	4	.750	22	7	.759
St. John's	12	4	.750	27	4	.871
Georgetown	11	5	.688	21	9	.700
Syracuse	9	7	.563	20	9	.690
Pittsburgh	6	10	.375	13	15	.464
Connecticut	5	11	.313	12	16	.429
Providence	4	12	.250	12	19	.387
Seton Hall	1	15	.063	6	23	.207

METRO CONFERENCE

	Conference W	L	Pct.	All Games W	L	Pct.
Louisville	12	0	1.000	29	3	.906
Virginia Tech	7	5	.583	22	10	.688
Tulane	7	5	.583	19	11	.633
Memphis St.	6	6	.500	22	7	.759
Florida St.	5	7	.417	14	14	.500
S. Mississippi	3	9	.250	14	14	.500
Cincinnati	1	11	.083	11	17	.393

BIG TEN CONFERENCE

	Conference W	L	Pct.	All Games W	L	Pct.
Indiana	13	5	.722	23	5	.821
Purdue	11	7	.611	21	8	.724
Ohio St.	11	7	.611	19	9	.679
Illinois	11	7	.611	21	10	.677
Iowa	10	8	.556	19	9	.679
Minnesota	9	9	.500	18	10	.643
Michigan St.	9	9	.500	16	12	.571
Northwestern	7	11	.389	16	12	.571
Michigan	6	12	.333	15	13	.536
Wisconsin	3	15	.167	8	19	.296

PAC-10 CONFERENCE

	Conference W	L	Pct.	All Games W	L	Pct.
UCLA	15	3	.833	23	5	.821
Washington St.	14	4	.778	22	6	.786
Oregon St.	12	6	.667	18	10	.643
Arizona St.	12	6	.667	18	13	.581
Southern Cal	11	7	.611	17	11	.607
California	7	11	.389	14	14	.500
Washington	7	11	.389	16	15	.516
Stanford	6	12	.333	14	14	.500
Oregon	5	13	.278	9	18	.333
Arizona	1	17	.056	4	24	.143

SOUTHWEST CONFERENCE

	Conference W	L	Pct.	All Games W	L	Pct.
Houston	16	0	1.000	27	2	.931
Arkansas	14	2	.875	25	3	.893
Texas A&M	10	6	.625	17	14	.548
SMU	9	7	.562	19	11	.633
TCU	9	7	.562	21	10	.677
Texas Tech	7	9	.438	11	20	.355
Baylor	4	12	.250	12	16	.429
Rice	2	14	.125	8	20	.286
Texas	1	15	.062	6	24	.200

BIG EIGHT CONFERENCE

	Conference W	L	Pct.	All Games W	L	Pct.
Missouri	12	2	.857	26	7	.759
Oklahoma	10	4	.714	24	8	.750
Nebraska	9	5	.643	19	9	.679
Oklahoma St.	9	5	.643	23	6	.793
Iowa St.	5	9	.357	13	15	.464
Kansas	4	10	.286	13	16	.448
Kansas St.	4	10	.286	12	16	.429
Colorado	3	11	.214	11	17	.393

MAJOR INDEPENDENTS

	W	L	Pct.
SW Louisiana	22	6	.786
New Orleans	20	6	.769
S.Carolina	20	8	.714
Marquette	19	9	.679
Notre Dame	19	9	.679
Stetson	19	9	.679
SE Louisiana	18	9	.667
Davion	18	10	.643
DePaul	17	11	.607
Nicholls St.	15	12	.556
Baptist	13	14	.481
Utica	11	15	.423
Tennessee St.	11	16	.407
Brooklyn Coll.	11	17	.393
Campbell	11	17	.393
NC-Wilmington	11	17	.393
Tex-San Antonio	10	17	.370

'Home Games': A Book Hits Home

By George Vecsey

New York Times Service

NEW YORK — One of the most provocative books about sports in the previous generation was Jim Bouton's "Ball Four," an irreverent look at baseball. In a turn of events that some will see as poetic justice, one of the more provocative books this year will be "Home Games: Two Baseball Wives Speak Out," written by Bobbie Bouton and Nancy Marshall. The book, to be issued by St. Martin's-Marek next month, is a gripping look at marriages to Jim Bouton and Mike Marshall.

But "Home Games" is less about two headstrong athletes than about the women who bore their children, kept their houses, drove the station wagons every time they were traded and, in the end, felt their loyalty had been misplaced.

"Home Games" is likely to evoke a stab of recognition in many women who served their husbands while trying to forge their own identities. It is not only about baseball but also about being married in America in the '60s and '70s.

Mrs. Bouton and Mrs. Marshall, women from small towns in Michigan, became friends when their husbands played in Seattle in 1969. Several years ago, with their marriages coming to an end, they decided to write a book in the form of letters over the last 20 years.

"Last year at this time I was single," Nancy Marshall writes about 1963, "managing the dorm office, sitting up until 2 in the morning laughing with my roommate and partying on the weekend. Now I'm stuck in an apartment that doesn't even have curtains on the windows and I have this two-month-old baby that no one has trained me to take care of. Mike certainly has changed his lifestyle too, but he still walks out the door a whole lot more often and easier than I do."

Success came early for Bouton, who helped the Yankees reach the World Series in each of his first three seasons. After his arm went bad, Bouton, with considerable help from the late Leonard Shecter, wrote "Ball Four," the best-seller that made him widely disliked in baseball. The book gave him entry to television, acting and writing jobs, but he kept attempting baseball comebacks.

Mrs. Bouton describes how she follows her husband to the end of the baseball map, finding pediatricians and schools in Durango, Savannah and Portland while he pursues his dream. In 1978, he returns to the majors, yet she worries about what she calls his growing fixation on becoming the Time magazine man of the year.

She discovers the reason for his tension in a moving scene when Bouton finally admits he has found another woman.

"I was a mess," she writes. "I hyperventilated, then shut myself in his bathroom and cried. I curled up, hugged my knees, and rocked myself on the bath mat, slowly letting it all register, and trying to understand what had just happened."

She then describes years of cruel tactics by Bouton during divorce proceedings. Helped by a counselor and many friends, Mrs. Bouton balances her warmth with a toughness she never had before. Bouton, whose latest venture is producing "authentic baseball cards" (50 cards for $25 and a picture of yourself), has not yet read the book. He says:

"We all have the right to write about our lives, and she does, too. If the book is insightful, if it helps people, I may be applauding it.

"I'm sure most of the things she says are true. I smoked grass, I ran around, I found excuses to stay on the road. It got so bad that I smoked grass to numb myself. It took me a year to where my brain worked again. I no longer think of grass as harmless. We were in the death throes of a marriage. She should ask herself how did she not see these things."

The answer is that Mrs. Bouton believed her husband's words instead of his signals, until the day he found somebody else.

Mrs. Marshall not only helped her husband through a decade in the minors, but also raised their three children as he worked toward his Ph.D. in kinesiology. While she praises his service to the players' union, she becomes weary of his squabbles with fans, press and management.

In 1974, Marshall is selected for the All-Star Game and tells his wife not to accompany him. She later finds his "other" telephone book, with women listed not by name but by city, as if they were restaurants.

With biting humor and language straight out of "Ball Four," Mrs. Marshall tells of the depressed Nancy when her husband is home and the vibrant Nancy when her husband is on the road. She describes her husband's anger when she takes a job in a travel agency, his grief when she has her first affair and his surprise when she plays Nancy Drew by crawling in the eaves of their home to tape his telephone calls.

"Mike wants a wife who is content to be in the kitchen all the time, just waiting for someone in the family to need her," she says. "And I blatantly refuse to be that woman, so I guess the reaponsibility for this failing marriage ultimately lies with me."

Marshall, currently looking for a job as a college teacher or baseball coach, has not yet read the book.

"It sounds like two ex-wives trying to make money from their husbands' careers," he says.

"I love my children too much to make any comments. I always believed certain things were protected by the sanctity of the marriage contract."

Exhibition Baseball

Sunday's Results

Baltimore 3, Atlanta 2

Boston 2, Detroit 5

Philadelphia 7, Chicago (AL) 5

Texas 4, Kansas City 1

Minnesota 8, Toronto 4

Montreal 5, New York (AL) 4 (10 inn.)

Pittsburgh 3, Cincinnati 2 (11 inn.)

Houston 15, Los Angeles 3

St. Louis 2, New York (NL) 1

Milwaukee 10, Chicago (NL) 7

Cleveland 12, San Francisco 9

Seattle 8, San Diego 1

Oakland 4, California 1

SPORTS BRIEFS

USFL Stars Rout Generals, 25-0

PHILADELPHIA (UPI) — Kelvin Bryant rushed for 114 yards and one touchdown as the Philadelphia Stars routed the New Jersey Generals, 25-0, in a United States Football League game here Sunday. The winners' defense forced seven turnovers on New Jersey's eight possessions. Bryant carried 24 times in outgaining 1982 Heisman Trophy winner Hershel Walker; the Generals' running back gained 60 yards in 13 carries and fumbled twice.

In Oakland, California, quarterback Bob Lane scored on a 1-yard plunge to lead the Birmingham Stallions to a 20-14 victory over the Oakland Invaders in the USFL's first overtime game. Lane keyed the decisive drive, which started on the Oakland 48, with a 35-yard strike to halfback Earl Gant. The Invaders blew a chance to win in overtime when Kevin O'Shea missed a 27-yard field goal attempt — his fourth miss of the game.

In Denver, Johnny Walton threw for two touchdowns and Ben Needham returned a blocked field goal 68 yards for a score to lead the Boston Breakers past the Denver Gold, 21-7.

Nicolette Wins Golf Playoff

ORLANDO, Florida (AP) — Mike Nicolette scrambled to a par on the first hole of a sudden-death playoff to defeat Australian Greg Norman and register his first PGA tour victory Sunday in the Bay Hill golf tournament. Norman three-putted from 30 feet for a bogey on the playoff hole; Nicolette, who needed three shots to reach the green of the par-four hole, sank a 2½-foot putt that brought him $63,000.

Nicolette held a six-shot lead at the start of the final day's play. He faltered to a 74, while Norman, en route to a 68, made up five shots on the back nine. They finished regulation play at one-under-par 283.

Bill Rogers (a closing 69) and D.A. Weibring (a 70) shared third place at 286. Jack Nicklaus (70), Gil Morgan (69), Seve Ballesteros (72) and Hale Irwin (68) were at 287. Irwin's round included a hole-in-one.

Navratilova Drubs Evert, 6-4, 6-0

DALLAS (UPI) — Martina Navratilova stormed past Chris Evert Lloyd Sunday, 6-4, 6-0, to win the Dallas stop on the women's tennis tour and remain unbeaten in 21 matches this year. Navratilova, ranked No. 1 worldwide, won her fourth tour event of 1983 and defeated Evert for the eighth time in their last 11 meetings.

Evert, who lost three of her four meetings with Navratilova last year, appeared ready to break through in the opening set despite losing own service in the match's opening game. But after letting Navratilova escape three break points in the middle portion of the first set, Evert lost nine straight games.

Navratilova made uncharacteristic errors in the early going, but after she got rolling she needed just 75 minutes to record her fifth consecutive victory in the Dallas event.

NBA Standings

	W	L	Pct.	GB
EASTERN CONFERENCE				
Atlantic Division				
x-Philadelphia	53	9	.855	—
Boston	44	19	.698	9½
New Jersey	40	24	.625	13
New York	33	30	.524	20½
Washington	28	34	.452	25
Central Division				
Milwaukee	43	21	.672	—
Atlanta	33	31	.516	10
Detroit	29	35	.453	14
Chicago	22	42	.344	21
Cleveland	17	46	.270	25½
Indiana	17	47	.266	26
WESTERN CONFERENCE				
Midwest Division				
San Antonio	40	25	.615	—
Denver	36	30	.545	4½
Kansas City	32	31	.508	7
Dallas	32	33	.492	8
Utah	24	42	.364	16½
Houston	21	43	.172	28½
Pacific Division				
Los Angeles	46	16	.742	—
Phoenix	38	26	.594	9
Portland	36	29	.554	11½
Seattle	36	29	.554	11½
Golden State	25	40	.385	22½
San Diego	27	44	.323	26½

(x-clinched playoff spot)

Sunday's Results

New York 122, Boston 118 (Cartwright 23, King, Westphal 21; Bird 27, Parish 24).

Milwaukee 117, Cleveland 83 (Moncrief 15, Johnson, Winters, Bridgeman 13; Free 19, Huston 13).

Denver 130, Utah 117 (English 30, Vandeweghe, Issel 27; Green, Griffith, Anderson 16, Eaves 14).

Dallas 131, San Diego 102 (Vincent 23, Cummings 23; Chambers 22, Wood 22).

New Jersey 109, Portland 94 (Williams 19, King, Cook 15; Paulsen 22, Hum 22).

Philadelphia 97, Washington 93 (Malone 24, Toney 23, Roland 22, Davis, Mahorn 21).

Seattle 120, Kansas City 115 (Sikma 30, Thompson 26; Drew 22, Williams 18).

Indiana 118, Detroit 116 (Knight 41, Kellogg 25; Tripucka 32, Tripucka 18).

NHL Standings

	W	L	T	GF	GA	Pts
WALES CONFERENCE						
Patrick Division						
x-Philadelphia	44	18	8	286	196	96
x-NY Islanders	36	23	12	260	203	84
x-Washingtn	34	22	14	271	248	82
x-NY Rangers	29	31	9	269	257	67
New Jersey	14	44	13	198	292	41
Pittsburgh	16	48	6	221	359	40
Adams Division						
x-Boston	45	17	8	293	197	98
x-Montreal	36	21	13	305	248	85
x-Buffalo	34	26	12	274	248	80
x-Quebec	31	28	11	304	290	73
Hartford	17	47	6	227	356	40
CAMPBELL CONFERENCE						
Norris Division						
x-Chicago	42	20	9	295	245	93
x-Minnesota	36	19	15	285	246	87
Toronto	22	34	12	256	284	56
St. Louis	22	35	14	252	278	58
Detroit	19	37	15	230	287	53
Smythe Division						
x-Edmonton	41	20	11	377	285	93
Calgary	28	32	10	283	285	66
Vancouver	26	32	11	255	269	63
Winnipeg	27	36	8	263	299	62
Los Angeles	24	34	11	263	300	59

(x-clinched playoff spot)

Sunday's Results

Washington 6, Boston 4 (Gartner 3 (33), Currie (9), Haworth (21), Jarvis (7); Park (10), MacTavish (10), McNab (20), Barr (11).

Edmonton 6, Buffalo 2 (Kerrl 2 (48), Coffey (24), Hughes (24), Lindstrom (21), Gretzky (63); Cyr (12), Selling (16)).

Toronto 5, Detroit 2 (Daoust (15), Terrion (13), Vaive 2 (47), Ihnacak (24); Larson (21), Gare (24)).

Chicago 4, Pittsburgh 3 (Larmer 2 (37), Lysiak (20), Sutter (26); Bullard (28), Bodner (11), Carlyle (13)).

Winnipeg 6, Los Angeles 5 (MacLean (27), Arniel (9), Christian 2 (17), DeBlois (22), L.Hoskins (11); Kelly (15), Nicholls (25), Dionne (48), Taylor (14), Simmer (24)).

ART BUCHWALD

Contract on the EPA

WASHINGTON — The story on Pennsylvania Avenue is that the press got Anne McGill Gorsuch Burford, head of the Environmental Protection Agency. The rumor has been fanned by President Reagan as well as Mrs. Burford. It is unfortunately, untrue.

If you're looking for the culprits who put the contract out on the EPA director, you don't have to go any further than the inner sanctum of the White House.

I got this directly from a horse's mouth in the West Wing.

He told me. "We had to eliminate Anne Burford without prejudice."

"That was a shame. She seemed like such a nice person. I always thought she was a team player."

"Perhaps. But the heat was on, and we couldn't let it touch the president. We had to keep hazardous waste out of the White House."

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"But from what I can gather, Mrs. Burford was only following White House orders. Didn't you people want to dismantle EPA and make it easier for business to dump their sludge all over America?"

"Sure we wanted it. But we were hoping it could be done quietly. We asked for a surgeon, not a butcher."

"But from all I can tell Mrs. Burford was only following instructions. I thought her marching orders were to make the environmentalists look like the neo-Nazis of the United States."

"We miscalculated the political ramifications of the environment issue in the United States. For some reason, which we didn't foresee, the American people don't like dirty air or dirty water as much as we thought they did. When Congress started making a mountain of acid drums out of every molehill, Mrs. Burford's days were numbered."

"So she was sacrificed for political expediency?"

"We don't enjoy putting a contract out on anyone in the Reagan administration, but our job in the White House is to protect the president at all costs. When push comes to shove, you always shove the EPA head and not the president."

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"Does the president know you put a contract out on Mrs. Burford?"

"I think he suspects we did, though the less he knows, the better it is for him. He still wants to believe the press was out to get her and not us."

"Just out of curiosity, how did the White House force someone like Mrs. Burford to resign?"

"The best way was to trickle down leaks to the press. One of our people told a White House correspondent Mrs. Burford was a lousy administrator. Another leaked that she played politics with the agency. A third handed out the EPA hit list. Then a staffer told a columnist where to look for conflict of interest in her staff. Our task was to make smoke and let the media fan the fire. To make sure it didn't look as if we were being disloyal, we denied everything that was printed in the press or appeared on television. When the president announced he had utmost confidence in Mrs. Burford and she could stay on the job as long as she wanted, even Mrs. Burford knew it was time to resign."

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"It was clean and painless," I said in admiration. "And I'm sure Mrs. Burford doesn't even know who stabbed her in the back. She'll probably go through life thinking it was the press and the environmentalists who threw her in the acid pit."

"We hope so. The last thing we want a person we dump in the EPA ashcan to believe is that we had anything to do with it. After all, we need Mrs. Burford for the 1984 Republican campaign, particularly since her philosophy toward cleaning up the environment is the same as ours."

U.S. Is Storing Away Most Anthony Dollars

The Associated Press

COLUMBUS, Ohio — The director of the U.S. Mint says $500 million worth of unpopular Susan B. Anthony coins are being stored away, just in case they are needed.

Donna Pope, of Parma, Ohio, addressing the Ohio Federation of Business and Professional Women's Clubs here, said that only 300 million of 800 million Susan B. Anthony dollars minted have been circulated because of lack of consumer interest. Many people complained that the shape of the coin, introduced in 1979 to honor the suffragette leader, too closely resembled that of a 25-cent piece.

Beresford, After 'Breaker Morant'

By Lawrence van Gelder
New York Times Service

NEW YORK — "I have a feeling it really doesn't matter what other films I make," says Bruce Beresford. "I'll always be introduced as Bruce Beresford who made 'Breaker Morant.' "

Despite this prognosis, the Australian director who made the highly acclaimed 1979 film about the court-martial of Australian troops during the Boer War has continued to make films. The latest, starring Robert Duvall, Tess Harper and Allan Hubbard, just opened in New York.

Based on a script by Horton Foote, "Tender Mercies" tells of a divorced country-and-western singer tossed up on a tide of alcohol at an isolated gas station/motel in Texas, where he meets the young widow of a soldier killed in Vietnam and her son.

His film, Beresford says, "takes three people who have to come to terms with major changes in their lives." The boy has to come to terms with his father's death. The woman has to come to terms with the fact that she's starting another life with another man.

Duvall's character, Mac Sledge, says Beresford, "has got to come to terms with the fact that his career is gone and his life has got to be lived on a totally different basis."

Since "Breaker Morant," Beresford has made a film about a soccer club, "The Club," and a financial success — "much more so than 'Breaker Morant,' " he says — called "Puberty Blues," which was based on a novel of school life by a 15-year-old girl.

The success of "Breaker Morant" elicited a steady flow of scripts from the United States. Beresford liked the idea of working outside Australia, where he had made 10 feature films. "I was attracted to the idea of working on a bigger budget and with an American distribution setup. I never had a budget in Australia of $1 million."

In August 1980, Philip and Mary-Ann Hobel, an American husband-and-wife team of documentary filmmakers, sent the script of "Tender Mercies" to Sydney, where Beresford lives with his wife and three children. "I read it and just went straight to the phone," says Beresford.

John McDonnell, The Washington Post

Bruce Beresford

Hobel and his wife had loved "Breaker Morant." "What we saw in [the film] is what we like as filmmakers ourselves — an attention to the environment, a straightforward presentation; it's almost a documentary approach."

For Beresford "Tender Mercies" cast new light on life in the Deep South. "Here was a script that told a story about a group of people whose preoccupations were very ordinary, who went to church on Sunday, who didn't murder each other. And yet I thought it made an absolutely fascinating drama."

To see for himself, Beresford visited Texas with Foote, the screenwriter who won an Academy Award in 1963 for "To Kill a Mockingbird." "He took me around those little Texas towns," Beresford says, "and I saw straightaway the thing was absolutely dead accurate."

The filming of "Tender Mercies," the Hobels' first feature-length film, which cost $5 million, began in Waxahachie, Texas, Nov. 2, 1981, and ended Dec. 23. The film is carefully constructed not only of the words of the script and the movements of the actors, it seems, but of silence and the play of light.

Beresford disclaims any grand conception. "It was nothing other than what you read in the script," he says. But before shooting he works out every camera angle in the film and brings storyboards on the set. "I can show the cameraman what I want. It gives me more time to work with the actors," he says.

"You can have a most magnificently acted film and it doesn't work because the acting can be photographed from the wrong angle. One of the crucial things in a film for any director is choreographing the action. A lot of directors say to the actors, 'Well, what are you going to do?' "

Beresford's passion for film technique dates from boyhood in a town outside his native Sydney. At 13, he persuaded his father, a commercial traveler, to buy him a movie camera and began making shorts. There were no filmmaking courses at the University of Sydney, when he entered to study philosophy in 1959 — nor, Beresford adds, was there an Australian film industry. But there was a film society, and Beresford continued to make films.

"The day I graduated I caught the boat to England," he says. Lacking union membership, he found no film work until he answered an advertisement for a film editor to work in Nigeria. When civil war threatened, Beresford returned to London and from 1966 to '71, worked for the British Film Institute on low-budget experimental films. "It really taught me how to make films cheaply. I produced an enormous number of films, all shorts, about 25 to 30 a year."

When he heard the Australian government was establishing a board to subsidize movies, Beresford and his wife, Rhoisin, an Irish-born graphics designer, hurried back with a script.

The film, made for $250,000, was "The Adventures of Barry McKenzie," a comedy about an Australian abroad. It was a big success in Australia and England but a mistake for someone with serious ambitions: "It was such a broad comedy that the critics tore it apart. . . .The sequel only further convinced everybody I was a kind of lunkhead."

The film he was really eager to make was "The Getting of Wisdom," based on a novel he had read at 14 about a teen-age girl from the outback in a snobbish Victorian school for young ladies.

Fortunately, a producer offered him the script of "Don's Party," a critical and commercial success about an election-night party that won Beresford the Australian best-director award in 1976. He made the much-praised "Getting of Wisdom" in 1977.

"Breaker Morant" grew out of a reference Beresford saw in a newspaper during a visit to his parents in Richmond, New South Wales, where Morant had written for the local newspaper. A movie with the Boer War as background promised to be prohibitively expensive — until Beresford came across a play about the court-martial, which narrowed the action. The movie won 11 Australian film awards, played at Cannes and established Beresford's reputation.

With "Tender Mercies" behind him, Beresford is now in Israel, scouting locations for his next movie, a $16-million project for Paramount about King David.

PEOPLE

Bequest by Koestler

The writer **Arthur Koestler**, who was found dead with his wife on March 3 in an apparent double suicide, left about $600,000 to promote university study of psychic phenomena, the Sunday Telegraph reported. It said Koestler, 77 at the time of his death, hoped the bequest would be enough to start a university department. Levitation, telepathy and other aspects of the paranormal interested Koestler and provided material for his later writings. The Koestlers are believed to have died by taking an overdose of tranquilizers. The Hungarian-born novelist was suffering from leukemia and Parkinson's disease. **Cynthia Koestler** was not known to be ill. Koestler, whose will probably will not be made public for several weeks, was a leading proponent of voluntary euthanasia.

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Governor George Wallace of Alabama missed the wedding of his youngest daughter because he was hospitalized in Montgomery after a reaction to medication. **Lee Wallace**, 21, joked that her father, who is 63, maybe "had a reaction to losing his baby girl." She was escorted to the altar by a brother-in-law, District Court Judge Mark Kennedy.

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Sylvie Gérome, 23, a shepherdess, has become France's youngest mayor. She was elected with 14 votes at Chauffecourt, population 19, in the Vosges. Gérome, who has no definite political affiliations but considers herself a member of the opposition conservative camp, will take over a post previously held by her mother. When she is not looking after the civic affairs of Chauffecourt, she will continue to take care of a flock of 300 sheep.

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Bing Crosby was an abusive father who beat his sons, who endured the pain by dreaming up ways of murdering him, his children recalled. "Am I supposed to act like I loved him all my life?" asked his oldest son, **Gary**, in People magazine. Gary, 49, recently published his memoirs, "Going My Own Way," attacking the image of his father as a warm, wise patriarch. As a child Gary had a weight problem and recalled that his father weighed him once a week and if he had gained weight he was ordered into his father's office for a whipping. He said his father beat him almost daily. "My father would come home at 6 o'clock and by 6:05 he'd heard the news of what I'd done. Then I'd get bent over and my pants taken down and beat till I bled," he said. **Lindsay Crosby**, 45, the youngest of Bing's sons by his first wife, **Dixie Lee**, supports his brother. "I hope it clears up a lot of the old lies," he said. **Phillip Crosby**, 48, however, said Gary was a "whining, bitching crybaby," and claimed, "I was happy to be who I was, even if I had the hell kicked out of me." Phillip's twin, **Dennis**, called Gary's revelations of parental abuse "Gary's business," but said his older brother was the most severely treated of the four boys. None of the four holds a steady job, each receiving a monthly check from a trust fund their mother established. Their father also set up a fund for each of his sons, but placed the money in a blind trust none of them can touch until age 65. "My father thought," said Phillip, "How much trouble will they be able to get into then?"

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Former CIA agent **John Downey**, who spent 20 years in a Chinese prison camp, is going back to China, 10 years after his release. Downey, now a lawyer in New Haven, Connecticut, said the Chinese authorities have given permission for him, his Manchurian-born wife, Audrey, and their 2-year-old son to spend four weeks in China in September to visit her relatives and tour the country. Downey was a 22-year-old CIA agent when his plane was shot down over the Manchurian mountains in 1952. "God knows how I'll feel the day I cross the border," he said. "It's not going to be a nostalgic visit to the old prison or anything. The Chinese said they prefer to look forward than backward and that suits me fine."

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The violinist **Jascha Heifetz**, 81, has sued the University of California, alleging that the school reneged on a promise to allot $100,000 for his master's program for the instruction of up to 15 young students and to set up a $1 million endowment for it. Heifetz claims the allotment was reduced to $65,000, which wasn't enough.

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